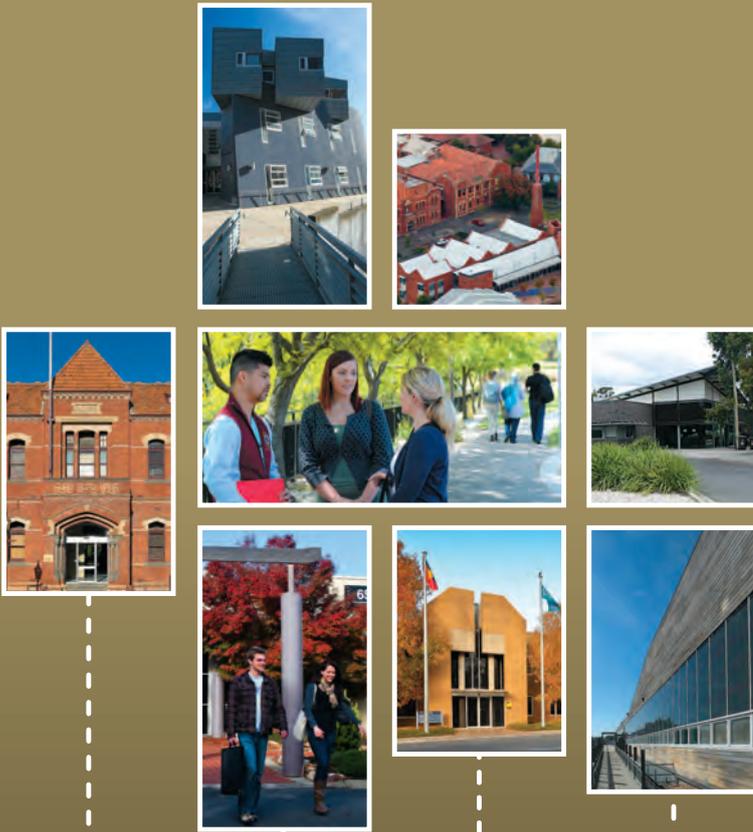


2013

ANNUAL REPORT



A SHARED JOURNEY

University of Ballarat  
Learn to succeed





A NEW DESTINATION FOR EDUCATION

# Contents

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Letter of Transmittal to the Minister	2
Vice-Chancellor's Report	3
Our Charter	4
Federation University Australia	5
Highlights of 2013	6
The University of Ballarat Foundation	8
Sustainability and Environmental Management	9
About the University	11
Council Members' Report	14
Organisational and Regulatory Information	25
Industrial Relations	30
Regulatory Compliance	33
Public Information	36
Appendix 1 – University Disclosure Index	37
Appendix 2 – Summary Financial Information	39
Financial Statements	44



# Letter of Transmittal to the Minister

On behalf of the Council of the University of Ballarat I am pleased to present the 2013 Annual Report for the University, and therefore the final report for the University of Ballarat, as the institution will transition to a new name as Federation University Australia from 1 January 2014. The report was approved by the Council on 18 February 2014 and has been prepared in accordance with the provisions of the *Financial Management Act 1994*.

2013 has been an exciting and demanding year for the University of Ballarat, with the Council properly exercising its responsibilities for governance oversight and performance monitoring throughout the year with a number of additional Council meetings as well as extra committee meetings and frequent reports and feedback from the Vice-Chancellor and his senior team.

A large part of this year's activity has been focussed on the due diligence process and the wide consultation with the community and friends of the University as we progressed towards a merger with the Gippsland campus of Monash University and a subsequent change of name. The Council was extremely supportive of this exciting initiative following an approach from Monash University in late 2012, and believes very strongly that this move will further enhance our charter as a truly regional, multi-sector university that will deliver improved access and a broader range of tertiary education opportunities to the communities across Victoria, as well as enhancing research outcomes of relevance to those communities.

The Council was appreciative of the input received from the consultation processes throughout the communities in Gippsland as well as within our existing footprint and was particularly pleased to receive bipartisan support within the Parliament of Victoria, as well as from the Federal Minister and our various regulatory bodies. This culminated in the passage of the Federation University Australia Act and the official launch of the new University by The Hon. Peter Hall, MLC, Victorian Minister for Higher Education and Skills in October. The Council was also pleased to attend an official reception for the new University, by the Governor of Victoria, Alex Chernov AC QC and his wife Elizabeth at Government House in December 2013. Throughout the year the Council has held meetings at various campuses and in October we met for the first time at the Monash Gippsland campus. The University also released its Interim Charter for 2014 which sets out the Principles, Strengths and Strategic Priorities for Federation University Australia. The Council held its Annual Retreat and planning workshop at Hepburn Springs in March 2013 and a significant number of members of Council also attended a strategic governance workshop in Melbourne mid-year.

The University Foundation and the Chancellor's Circle have continued to build a strong capital base and awarded several scholarships this year and are also able to provide a discretionary fund for the recognition and reward of excellence within the University. The Council has overseen the completion of major building developments at both Mount Helen and the SMB campuses, and has been excited at the recognition that the University has achieved in significant awards to staff and students both at State and national level, as well as the award of various funding initiatives and the receipt of the maximum rating of five stars for teaching quality for the fifth year in a row.

As we enter a new era as Federation University Australia I would like to thank and recognise the Deputy Chancellor Mrs Karen Douglas and all members of Council, our Vice-Chancellor Professor David Battersby and all his staff for their work on behalf of our students and our local, national and international partners and communities. I also wish to acknowledge the long term commitment and service to the University by Ms Rowena Coutts who retires as Secretary to Council and Senior Deputy Vice-Chancellor at this exciting stage in our development, after more than 20 years of dedicated service.



Dr Paul J H Hemming

A handwritten signature in black ink, which appears to read 'Paul J Hemming'. The signature is stylized and written over a light-colored background.

Dr Paul J H Hemming  
Chancellor  
18 February 2014

# Vice-Chancellor's Report

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By the end of 2013, the University of Ballarat had completed 20 years of service to higher education regionally, nationally and internationally since its establishment in 1994.

From our beginnings as a university in 1994 to our new name of Federation University Australia, we have grown enormously to become one of the nation's leading regional universities.

Our transition to Federation University Australia has meant that the past 12 months have been extremely busy for the University and its staff. In February 2013, the announcement was made that the University of Ballarat and Monash University would investigate the viability of the Monash Gippsland Campus joining with the University of Ballarat to form an expanded, regionally-focused university.

After extensive consultation with community leaders, politicians, current students and the wider public, it was announced, mid-year, that the new university would go ahead. Our new name soon followed – Federation University Australia – and the official launch took place in October at the Parliament of Victoria following the passage of legislation to establish the University.

While this was a highlight of 2013, the University of Ballarat had a momentous year in other ways, particularly with the completion of new capital works projects. The University opened its Immersive Domestic Nursing Laboratory at the Mt Helen Campus. The 50-seat auditorium gives students direct experience of real-life nursing inside a home or ambulance.

The Manufacturing Technology Training Centre also was opened at our SMB Campus. The Science and Engineering Building and the Sports and Recreational Centre were completed at the Mt Helen Campus in 2013 and are now in full use for teaching and research.

University staff and students continued to excel in their achievements in 2013 and the University's award of five stars for its teaching quality, for the fifth year in succession, was but one of the highlights.

The University's Senior Deputy Vice-Chancellor, Ms Rowena Coutts, announced her retirement from the University in 2013 following more than 20 years of service. As Head of Corporate Services, and Secretary to Council, Ms Coutts contributed significantly to the University and we acknowledge her exceptional service.

I thank the University's senior management and staff for their hard work and commitment during 2013. Our students, partner providers and the communities and regions served by the University remain fiercely loyal and dedicated to their University and our appreciation is extended to them. I also express thanks to the University Council and to our Chancellor, Dr Paul Hemming, for their ongoing stewardship of the University in 2013 and for their vision in establishing Federation University Australia from 1 January 2014.



Professor David Battersby  
Vice-Chancellor and President  
18 February 2014



Professor David Battersby

# Our Charter

The 2013 Charter will facilitate the University of Ballarat continuing to achieve a national profile as a university that:

- inspires its students to succeed;
- actively participates in partnerships to promote learning, teaching, research and commercial opportunities;
- makes a major contribution to the regions and communities it serves; and,
- is international in its outlook and impact.

## The key values important to the University of Ballarat are:

- Intellectual responsibility
- Ethical practice
- Respect for each other
- Service to our communities
- Learning throughout life
- Recognition of our international and global links and responsibilities
- Commitment to environmental sustainability

## At the University of Ballarat, our aims in 2013 are:

- To provide a quality tertiary education experience that inspires our students to succeed;
- To participate in partnerships to promote learning, teaching, research and commercial opportunities;
- To be a major contributor to our regions and communities; and,
- To be international in our outlook and impact.

## The University of Ballarat will achieve its aims for 2013 by:

- Providing access to effective and high-quality learning, teaching and research opportunities for Australian and international students.
- Producing graduates who are sought after within Australia and internationally for their knowledge, skills, competencies and employability.
- Involvement in internationally recognised research, and engaging in knowledge transfer, that has demonstrable relevance to, and impact on, communities, industries and regions served by the University.
- Deepening our engagement and partnership through industry, community and collaborative opportunities.
- Creating a work environment where staff are valued and where there are opportunities for renewal, career development, leadership and community service.
- Committing to continual improvement in the stewardship of resources through ethical, effective and sustainable management and governance.



# Federation University Australia

## The 240-day challenge to introduce a new name in education

On 22 February 2013 the Vice-Chancellors of Monash University and the University of Ballarat, Professors Ed Byrne and David Battersby, confirmed discussions were under way to bring together the Gippsland Campus of Monash University and the University of Ballarat to develop an expanded regionally focused university.

“ Since its early days, the University of Ballarat has explored the merits of becoming a regional university for Victoria.”

Vice-Chancellor, Professor David Battersby

Minister for Higher Education and Skills, The Hon. Peter Hall, MLC, offered his in-principle support for the proposition, recognising the benefits of giving prospective students access to a wider range of courses and providing skilled graduates able to meet the needs of local industry.

The University of Ballarat Council set themselves a 240-day implementation plan.

What followed was an extensive due-diligence process, market research and a series of public consultations, with the challenging task of finding a name that would reflect the purpose and scope of the proposed new entity with a catchment area now stretching from the Wimmera in the west to Gippsland in the east of the State.

The University Council considered almost 30 names, including those of former politicians, explorers and inventors, before announcing the favoured name – Federation University Australia – the term Federation reflecting the federated model that the University would adopt and the coming together of campuses.

Against a looming deadline, the proposal gained approval from all relevant regulatory and tertiary education authorities and a unanimous vote in the Victorian Parliament to allow an amendment to the *University of Ballarat Act*.

On Tuesday, 1 October 2013 the University unveiled an innovative advertising campaign, set under the five stars of the Southern Cross, announcing there was to be a new name in education. The campaign coincided with the launch of Federation University Australia at a ceremony in Queen’s Hall, State Parliament, ahead of the new University’s scheduled start date in January 2014.

“ Accessibility, inclusiveness and provision of a supportive learning and research environment will be at the heart of our new university.”

Vice-Chancellor, Professor David Battersby

In December 2013 students from all campuses, including Gippsland, the Wimmera and Ballarat joined senior staff and Council representatives for a formal reception at Government House, hosted by the Governor of Victoria, his Excellency Alex Chernov AC and his wife Mrs Elizabeth Chernov. Chancellor Paul Hemming was presented a copy of the new Act of Parliament following Royal Assent.

Only one other Australian University (the University of the Northern Territory, now Charles Darwin University) has experienced the journey of change that the University of Ballarat dared to travel in 2013.

Federation University Australia began operation on 1 January 2014.



# Highlights of 2013

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The Australian Technical Management College (ATMC) in association with the University opened a new building in the heart of Melbourne signalling a turning point in the provision of higher education for international students studying in Australia and in Melbourne in particular.



The University officially opened its innovative Immersive Domestic Nursing Laboratory at the Mt Helen Campus enabling students to experience real-life conditions in a patient's home.



2013 saw the University implement phase one of its Smoke-Free Environment Policy.

Plans were drawn up for the refurbishment of the Brewery Building at the SMB Campus to house a new commercial business operation for technology centred enterprises. Ballarat Technology Park Central is supported by a \$500,000 State Government grant.



In July, the new Manufacturing Technology Training Centre (MTTC) was unveiled at the SMB Campus. The \$19 million project was officially opened by Federal MP Catherine King.

The Innovative Visualising Victoria's groundwater (VVG), led by the University's Centre for eCommerce and Communications (CeCC), received national and international recognition.

Distinguished scholar and highly respected educational leader Professor Kwong Lee Dow was a keynote speaker at the Learning and Teaching Conference.

Celebrations for the Industry Skills Centre with Patrick Janes, an apprentice in fabrication named Victorian Apprentice of the Year, hot on the heels of former UB student Tim Taylor's gold medal at the WorldSkills championships in Germany.

UB joined 15 other universities across Australia to drive the educational achievements of indigenous students to new heights through the AIME mentoring program.

The first University of Ballarat Diploma of Nursing students educated at Pyrenees House, Ararat in conjunction with East Grampians Health Service, graduated in 2013.

The Southern University Games saw more than 1600 University and TAFE students from Victoria, South Australia and Tasmania compete in 16 sports over three days in Ballarat. The University's team won the Hugh McKechnie trophy and pennant

A collaborative project between the University and the Federal Government began looking at practical techniques for the rehabilitation of arid woodland communities degraded by past agricultural activity at the University's Nanya Research Station in far west New South Wales.

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The University was selected to house one of only four international research Centres for the Prevention of Injury and Protection of Athlete Health supported by the International Olympic Committee (IOC). The other three IOC funded centres are located in Canada, Norway and South Africa.

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Natasha Stott-Despoja AM, Deputy Chair of beyondblue and former leader of the Australian Democrats, was a special guest at the University's second Blue Tie Ball to raise money for beyondblue, the national depression and anxiety initiative.

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Six staff members were recognised with national citations for outstanding contributions to student learning, placing the University above the national average of four citations per university.

The University was awarded the maximum rating of five stars for teaching quality for the fifth year in a row by the Good Universities Guide.

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IBM, a major tenant on the Technology Park, announced that information technology graduates would be able to study a new Graduate Certificate, developed by UB, IBM and the Australian Computer Society, while working at IBM's Ballarat site.

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A total of 83 staff participated in the Women in Leadership (WIL) Program, a joint initiative of Equity and Equal Opportunity and Human Resources.

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Former Olympic swimmer, Matt Welsh recalled his training days in the UB pool when he addressed new members inducted into the Golden Key International Honour Society/Ballarat chapter.

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Students saw their funds at work with the installation of filtered water stations.

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Director of Campus Life, Colin Marshall was elected Globalisation Director of the Association of College and University Housing Officers – International.

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The University's first Social Inclusion Plan was unveiled during a Gay and Lesbian Safety and Support Showcase at Mt Helen.

## Student Senate

The University's Student Senate was active in 2013. Made up of 26 elected members, the Student Senate provides an avenue for students to directly contribute to policies and procedures which govern student life by engaging openly with staff and management. Each Senate member represents specific groups of students by campus, school, interest groups or particular student communities.

It works to improve the student experience across all campuses by encouraging consultation and feedback from students, giving them a voice on a variety of issues including commenting on how their Student Services and Amenities Fee is spent. Students are encouraged to visit the University's website to read the terms of reference or can contact [student.senate@federation.edu.au](mailto:student.senate@federation.edu.au). Elections for the Senate are held in September each year.



# Foundation

## The University of Ballarat Foundation

### Donor Recognition – Thank You

The University Foundation acknowledges with gratitude funds donated to the University prior to the establishment of the Foundation, and warmly thanks donors and their families for their generosity.

#### Chancellor's Circle donors

##### 2011

Dr Janet Holmes á Court AC  
 Professor Emeritus Kwong Lee Dow AM  
 Dr David Haymes and Mrs Jenny Haymes  
 Emeritus Professor Robert H T Smith AM  
 Dr. Wai-man Woo  
 Professor David Battersby

##### 2012

In memory of John Charles Barker, B. Eng, (B.C.A.E.) 1958–1994  
 Ms Rowena Coutts  
 Dr The Hon John S Dawkins AO  
 Dr Meredith Doig  
 Dr John Harvey AO  
 Dr David Haymes and Mrs Jenny Haymes  
 Dr Paul J H Hemming  
 Mr William H McGregor OAM  
 Dr John R Magrath AM  
 Mr Colin Prowse OAM and Mrs Shirley Prowse  
 Mrs Elisabeth Ann Smith  
 Emeritus Chancellor Robert H T Smith AM

##### 2013

Dr Meredith Doig  
 Emeritus Professor Wayne Robinson and Ms Jennifer Robinson  
 Sandra & Tony Stone  
 Mr Peter Wilson

#### Platinum Circle donor

##### 2010

Dr. Wai-Man Woo

#### Bronze Circle donors

##### 2011

Dr John Harvey AO

##### 2012

Dr William J Pryor AO

##### 2013

Prof John McDonald  
 Dr William J Pryor AO  
 Mrs Deborah Spring  
 Ms Pam Sutcliffe

#### Corporate Donor

##### 2011

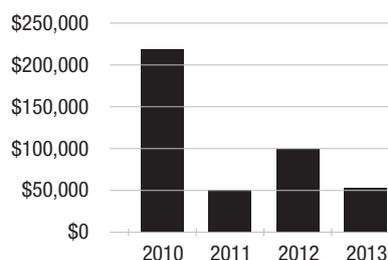
Pierce Armstrong Trust



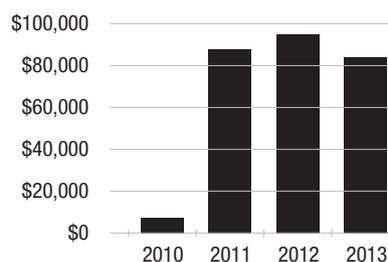
#### Donor Recognition Categories

Bronze Circle	\$1,000 +
Silver Circle	\$10,000 +
Gold Circle	\$50,000 +
Platinum Circle	\$200,000 +

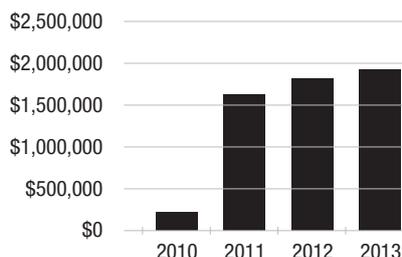
#### Donations Received



#### Investment Income



#### Net Assets



"The University Foundation was delighted to award the scholarships to four deserving students. We look forward to these scholarships assisting many other students in the years to come."

Vice-Chancellor, Professor David Battersby

### 2013 Scholarship Recipients

The University presented its first Foundation Scholarships to four students at the Mt Helen Campus in May 2013. The scholarships, open to domestic Higher Education and TAFE students, are funded by donations to the Foundation.

Valued at \$7,000 each, the scholarships are assessed on financial circumstances and commitment to study. The 2013 recipients were:

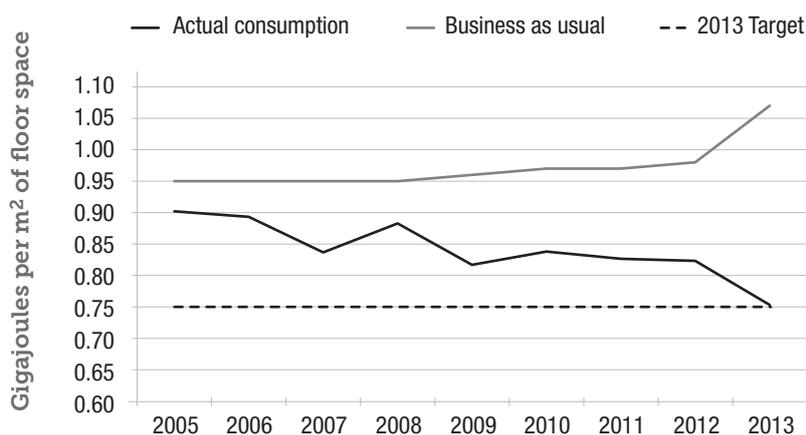
- Kylie Rippon (Higher Education)
- Victoria McDonnell (Higher Education)
- Julie Williams (Higher Education)
- Daikota Gerrett-Christie (TAFE)

# Sustainability Report 2013

The University continues to reduce its environmental impact through the reduction of utility consumption, landfill waste, vehicle fuel and greenhouse gas emissions. The sustainability achievements for 2013 are:

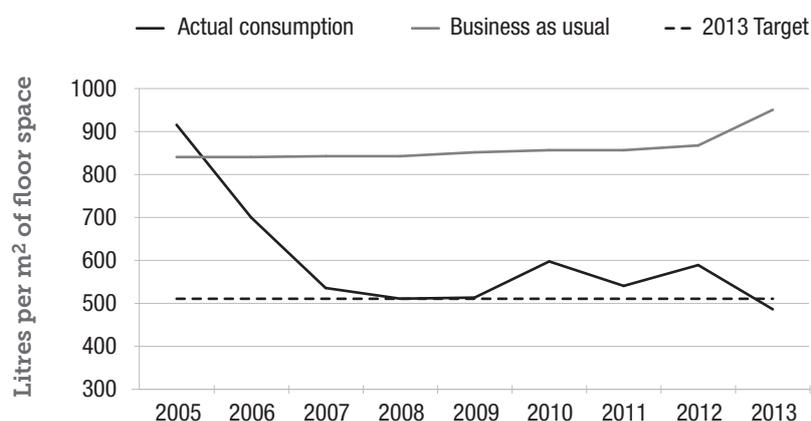
- Greenhouse gas emissions (GHG) were consistent with 2012 levels. The University has achieved a 15% reduction in emissions over the past five years.
- Gross energy consumption was consistent with 2012 levels, a significant achievement considering building space increased by 10% in 2013.
- Gross water consumption reduced by 19% or seven million litres
- Recycling increased by 32 tonnes
- Waste to landfill decreased by 23 tonnes
- Fuel consumption decreased by 11% or 20,300 litres
- Staff travelling to Melbourne with V/line has increased by 33%
- Paper consumption has fallen by 18% or 3,700 reams

## Energy consumption 2005–2013



- Consumption of energy for 2013 was the same level as the previous year. This is a considerable achievement as the University increased building floor space by 10% with two new buildings opened.
- Over the past five years the University has reduced energy consumption by 15% per m² of floor space.
- The University is hopeful of installing energy reducing infrastructure over the next two years as part of the Greener Government Buildings program. Onsite energy generation, efficient lighting and improved heating and cooling systems are being considered for most campuses.

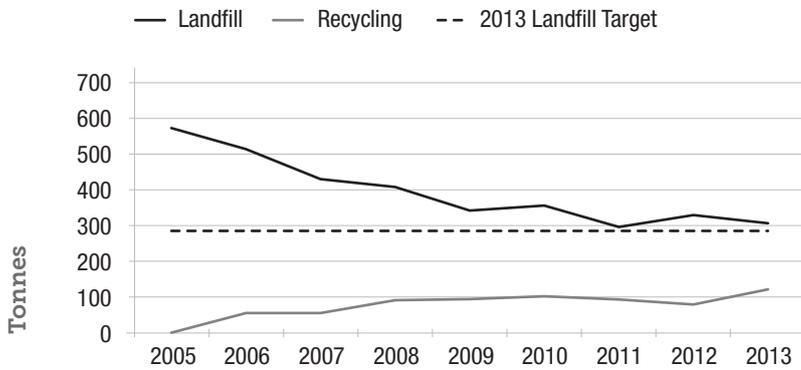
## Potable water consumption 2005–2013



- Potable water consumption has decreased by 18% or seven million litres against 2012.
- The University set a target to reduce potable water consumption to 512 litres per m² of floor space by 2013. This target was met.
- Drinking fountains were installed at Mt Helen, SMB, Camp St and Horsham campuses. The fountains have provided over 15,000 litres of water to students since their installation in March 2013.

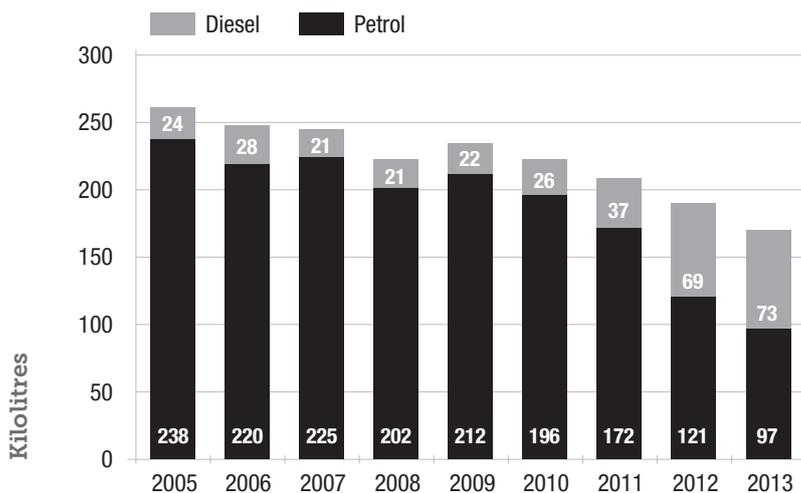
# Sustainability Report 2013

## Waste and Recycling 2005–2013



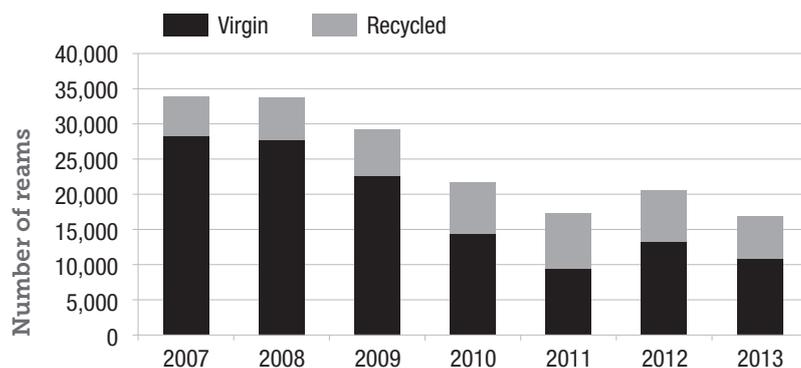
- Landfill waste decreased by 23 tonnes.
- Recycling has increased by 32 tonnes.
- The University now recycles 28% of all waste, up from 22% recycled waste in 2012.
- The reduction in landfill and increase in recycling is attributed to the introduction of desktop bins at staff workstations. The smaller bin encourages behaviour change and improves recycling rates.

## Fuel consumption 2005–2013



- University fuel consumption continues to decline with a 7% reduction in 2013. This equates to a 12,000 litre saving.
- The savings are attributed to the replacement of petrol vehicles with diesel. 60% of the passenger fleet is now diesel powered. 93% of the fleet are four cylinder.
- Many staff have switched to train travel to Melbourne with V/line expenditure increasing by 33% in 2013.

## Paper 2005–2013



- The University purchased 16,848 reams in 2013. A reduction of 18% or 3,700 reams over the previous year.
- 36% of paper purchased has a recycled component.
- Over the past five years paper consumption has fallen by 50%.

# About the University

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## **University of Ballarat Act 2010 (the Act)**

The University of Ballarat was created by the *University of Ballarat Act 1993*, as amended by the *University of Ballarat Amendment (Federation University Australia) Act 2013*. The amendment was facilitated with the assistance of the Minister for Higher Education and Skills, the Hon. Peter Hall, MLC.

This is an Act of the Victorian Parliament, in 1994, out of the Ballarat College of Advanced Education. It was enlarged in 1998, through mergers with the Ballarat School of Mines and the Wimmera Institute of TAFE. Although formally created as a University in 1994, the University of Ballarat has a lineage which takes it back to 1870, making it only the third institution of higher learning to be established in Australia and the first to be established in regional Australia. The Ballarat College of Advanced Education was created out of the tertiary division of the School of Mines while the technical division of the School merged with the new University in 1998.

The University's commitment to educational and social equity, teaching excellence, research distinction, environmental sustainability and regional capacity building has enabled it to develop in a way that draws on its proud heritage to inform its future.

Its regional character sets a framework for the University's priorities but does not constrain it from serving wider community interests, nationally and internationally.

On 1 January 2014, the University of Ballarat amalgamated with the Monash University Gippsland Campus to form Federation University Australia. Federation University Australia, or FedUni, is Australia's newest University. Headquartered in Ballarat, Victoria, the University offers programs in Higher Education and Vocational Education and Training to regional Victoria and beyond.

With campuses from Horsham in the west of the state, to Gippsland in the east, the name Federation University Australia was chosen to convey the scope and capacity of an expanded regional university and to maximise recruitment potential, regional reach and marketability.

Federation University Australia reflects the partnerships, collaboration and co-operation among a federated network of campuses in regional Victoria, which collectively provide a new and different Australian university.



# About the University

## Services Provided

The users of services provided by the University were drawn largely from the Central Highlands and Wimmera regions of Victoria, but also included persons, groups and organisations from other parts of Victoria, interstate and overseas. The nature and range of services provided are set out below.

Fields of Study Schools and Programs Portfolio		Other Services	
TAFE Vocational Education and Training	Higher Education Undergraduate and Postgraduate Programs	Research and Consultancy	Other Services
<p>Certificate, Diploma and Advanced Diploma courses were offered in the following industries:</p> <ul style="list-style-type: none"> <li>• Food Sciences</li> <li>• Primary Industries</li> <li>• Nursing</li> <li>• Occupational, Health and Safety</li> <li>• Children's Services</li> <li>• Adult, Community and Further Education</li> <li>• Prisons Education</li> <li>• General Manufacturing</li> <li>• Automotive</li> <li>• Metals and Engineering</li> <li>• Building and Construction</li> <li>• Building Design</li> <li>• Primary Industry and Forestry</li> <li>• Horticulture and Conservation and Land Management</li> <li>• Business Services</li> <li>• Information Technology</li> <li>• Public Administration and Safety</li> <li>• Hair and Beauty</li> <li>• Community Services and Health</li> <li>• Nursing and Aged Care</li> <li>• Tourism and Hospitality</li> <li>• Cultural and Recreational</li> <li>• Transport and Storage</li> <li>• Electro Technology and Communications</li> <li>• Wholesale, Retail and Personal Services</li> <li>• VCAL Training provided through the Technical Education Centre</li> </ul>	<p>Undergraduate, postgraduate and other courses at Higher Education level in 2013 were offered in the fields of:</p> <ul style="list-style-type: none"> <li>• Biomedical Science</li> <li>• Food Sciences</li> <li>• Human Movement and Sports Science</li> <li>• Visual and Performing Arts</li> <li>• Education and Early Childhood</li> <li>• Humanities and Social Sciences</li> <li>• Business</li> <li>• Psychology</li> <li>• Information Technology and Computing</li> <li>• Mathematics</li> <li>• Sciences</li> <li>• Nursing</li> <li>• Management</li> <li>• Accounting</li> <li>• Engineering</li> </ul>	<p>The University of Ballarat undertakes world-class research, and engages in knowledge transfer, in strategic targeted areas that have demonstrable relevance to, and impact on, communities, industries and regions served by the University, and beyond.</p> <p>It emphasises partnerships, collaborations and integration in the interests of capacity building. Creating strong targeted knowledge partnerships with industry, other institutions and government is also a key strategy by which the University contributes to regional, national and international innovation.</p> <p>Its principal innovation platform is the UB Technology Park which is the largest regional technology park in Australia.</p> <p>The University aspires to build greater synergy between targeted research and innovation by increasing the collaborative opportunities in the UB Technology Park, connecting researchers with industry partners.</p>	<p>Other services include:</p> <p>Library, Learning Support and study Skills;</p> <p>Facilities Management;</p> <p>Information Technology Services;</p> <p>Catering and Conferencing Services;</p> <p>Wellbeing, Counselling and Sporting and Social services;</p> <p>Residential Living, Residential Community and Settlement services;</p> <p>Careers and Employment services;</p> <p>Project management services;</p> <p>Equity and Equal Opportunity Support and Outreach services;</p> <p>Centre for Learning Innovation and Professional Practice (CLIPP);</p> <p>Aboriginal Education Centre;</p> <p>Public Relations and Alumni;</p> <p>Human Resources;</p> <p>Legal – General Counsel;</p> <p>Centre for University Partnerships (CUP); and</p> <p>Finance.</p>

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The University of Ballarat is a corporate entity consisting of a Council, academic, teaching and other staff, and enrolled students.

- to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard;
- to provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education by the University;
- to undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the well-being of the Victorian, Australian and international communities;
- to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community;
- to serve the Victorian, Australian and international communities and the public interest by—
  - > enriching cultural and community life;
  - > elevating public awareness of educational, scientific and artistic developments;
  - > promoting critical and free enquiry, informed intellectual discourse and public debate within the University and in the wider society;
- to use its expertise and resources to involve Aboriginal and Torres Strait Islander people of Australia in its teaching, learning, research and advancement of knowledge activities and thereby contribute to—
  - > realising Aboriginal and Torres Strait Islander aspirations; and
  - > the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage;
- to provide programs and services in a way that reflects principles of equity and social justice;
- to confer degrees and grant diplomas, certificates, licences and other awards; and,
- to utilise or exploit its expertise and resources, whether commercially or otherwise.



## The Council

Under the provisions of the Act, the Council of the University is the governing authority of the University and has the direction and superintendence of the University. The Council is chaired by the Chancellor and has 14 members. Set out below are the members of the Council as at 31 December 2013 including the terms of office, years on Council, qualifications and experience.



Back Row (left to right): Ms Mashelle Parrett, Mr George Fong, Mr Michael Ryan, Mr Peter Wilson, Mr Tony Stone, Mr Steve Davies, Mr Warwick Spargo and Dr Meredith Doig.

Front Row: Ms Rowena Coutts (Senior Deputy Vice-Chancellor & Secretary to Council), Ms Deborah Spring, Ms Karen Douglas (Deputy Chancellor), Dr Paul Hemming (Chancellor), Professor David Battersby (Vice-Chancellor) and Associate Professor Kim Dowling (Chair, Academic Board).

## Official Members

### The Chancellor

#### Dr Paul John Harry Hemming

MB, ChB, Fellow Royal Australian College of GPs, Fellow of Royal College of GPs(UK)

**Term of Office** 1 July 2012 to  
30 June 2015  
**Years on Council** Chancellor < 2  
Council Member 4

General Practitioner. Past President AMA (Vic); President RACGP; Director "Beyondblue"; Executive Director Ballarat Division of GP; Member Medicare Services Advisory Committee; Consultant to Health Insurance Commission; Chair Medical Advisory Committee, St. John of God Hospital, Ballarat.

### The Vice-Chancellor

#### Professor David Arthur Battersby

MHEd NSW, PhD Waikato

**Term of Office** 1 July 2010 to  
30 June 2016  
**Years on Council** 6.5

Tutor, University of Waikato, New Zealand; Lecturer, Senior Lecturer, Massey University, New Zealand; Associate Professor, Professor, Charles Sturt University; Dean, Pro Vice-Chancellor, Deputy Vice-Chancellor, Charles Sturt University

### Chair, Academic Board

#### Associate Professor Kim Dowling

BSc (Hons) Geology, UNSW; PhD, James Cook University; Grad Dip in Environmental Management, Deakin University

**Term of Office** 01 January 2013 to  
31 December 2014  
**Years on Council** 1

Previously appointed the inaugural Dean of Health Sciences, and before that Head of School of Science and Engineering. Along with her continuing research, Kim has an active interest in inclusive practice and good governance, and has served on every standing Committee of Academic Board at FedUni.

## Members appointed by the Governor-in-Council

### Ms Mashelle Parrett

Bachelor Degree from the University of New England in Financial Administration; Member of the Institute of Chartered Accountants in Australia Registered Company Auditor

**Term of Office** 29 January 2013 to  
31 December 2015

**Years on Council** 1

Undertaken financial audits and internal audits of public sector entities and for almost 20 years. Employed with the Victorian Auditor-Generals' office in the role of a Financial Audit Sector Director for approximately 5 years. Prior to that she worked for the Commonwealth Auditor-General at the Australian National Audit Office for 15 years and Ernst and Young for almost 3 years.

### Mr Michael Ryan

Bachelor of Business (Accounting) RMIT; Chartered Accountant

**Term of Office** 01 July 2012 to  
30 June 2015

**Years on Council** < 2

30 years in Public Tax (Accountancy Practice in Horsham); 4 years in Commerce; Horsham Rural City Councillor for 7 years including 2 years as Mayor; 7 Years Audit and Finance Committees – Horsham Rural City

### Mr Warwick Spargo

BA Economics (Accounting); Registered Company Auditor; Fellow Certified Practising Accountant; Certified Fraud Examiner; Graduate Certificate in Fraud Investigation; Certi IV in Government (Fraud Control)

**Term of Office** 1 January 2012 to  
31 December 2014

**Years on Council** 2

Previously worked for 12 years for the Victorian Auditor-General's Office.

Currently an Audit Partner at RSM Bird Cameron specialising in external and internal audit services to public sector agencies. Board member and Chair of Finance Committee for Queen Elizabeth Centre.

### Ms Deborah Ann Spring

MBA, Harvard Business School; MSc, Mechanical Engineering, Rensselaer Polytechnic Institute; BA Sc (summa cum laude), Mechanical Engineering, Union College; Australian Institute of Company Directors Diploma; Licensed Professional Engineer

**Term of Office** 1 July 2012 to  
30 June 2015

**Years on Council** < 2 –

Broad experience gained over 25 years as a senior executive in private, public and semi-government sectors across a diverse range of industries in both domestic and international markets. These industries include energy, manufacturing, recycling, petro-chemicals, post, transport and logistics and rail.

Extensive board and committee experience in logistics, environment, education, and community services that includes membership of sub-committees responsible for finance, risk, HR and operations. Board positions include, Ambulance Victoria, the Banksia Environmental Foundation (Chair), and Mount Hotham Alpine Resort Management Board (Chair).

## Ministerial Appointment

### Mr Steve Davies

BSc (Honours) in Computer Systems Engineering; Institution of Engineering and Technology (UK); Project Management Institute (USA)

**Term of Office** 1 July 2013 to  
31 December 2015

**Years on Council** <1

Over 27 years technical and managerial experience across environments ranging from embedded microprocessor control to mid-range and main-frame applications. For the last 16 years, performed key roles on large complex systems integration programs including senior project manager, program manager, site executive and delivery centre manager across a number of industries including defence, telecommunications, utilities, mining and oil & gas.

Current role includes the Region Lead responsible for the operations of IBM's GBS Regional Delivery Centre in Ballarat and the A/NZ Lead for IBM's AMS Testing and Environment Services group. Other recent roles with IBM include Platform Delivery Lead on a large green-fields Operational Support Systems development for a new national telecommunications corporation, Application Services Lead for Western Australia responsible for building a delivery capability in a growth market, and Delivery Centre Manager providing up-line management and leadership for an organisation delivering application services across a broad portfolio of business applications for a major Australian client.

## Members appointed by Council

### Mrs Karen Suzanne Douglas – Deputy Chancellor

**Term of Office** 1 January 2013 to  
31 December 2015  
**Years on Council** 6

Chair, Wimmera Catchment Management Authority; Chair, Chairs of Catchment Management Authorities; Board Member and previous Chair, Stawell Regional Health; Past Mayor of Northern Grampians Shire; Past Chair of the North Central Local Learning and Employment Network; Partner in broadacre farming enterprise.

### Dr Meredith Anne Doig FAICD

BA (pure maths), Dip Ed, M Ed Studies, Grad Dip Mgt, PhD

**Term of Office** 1 January 2011 to  
31 December 2013  
**Years on Council** 3

Twenty years of experience as an executive in manufacturing, mining and banking, and Consultant in risk management and leadership development; 13 years of experience as a non-executive Director of boards in transport and logistics, retail, printing and education; President Rationalist Society of Australia Inc; Facilitator with the Institute of Company Directors; Moderator with the Cranlana Program on Ethics and the Good Society.

### Mr George Fong

BA (CNAAL) Law; Barrister-at Law, Lincoln's Inn (UK); Advocate and Solicitor, Supreme Court of Singapore

**Term of Office** 1 July 2012 to  
30 June 2015

**Years on Council** < 2

Director – Lateral Plains Pty Ltd; Barrister at Law and Advocate and Solicitor in Singapore; Lecturer at the then Ballarat College of Advanced Education (1987-1996) in Tax and Business Law; Co founder of the 1st Regional Internet Service Provider in Australia – NetConnect Communications; Vice president of the Internet Society of Australia; Immediate Past Chair of the Board for the Ballarat Health Services Foundation; Member of the advisory board for .au Community Domains; Past Chair of The Ballarat Regional Multicultural Council; Past member of the Courier Advisory board; Member of IPV6 Now.

### Mr Anthony Stone

MBA (International Business)

**Term of Office** 1 July 2013 to 31  
December 2015

**Years on Council** <1

Experienced in Franchising, Automotive and Building Materials Sectors. Has held senior management positions in the USA, Asia and Australia and had extensive business

experience in South East Asia. Currently serves on the boards of Committee for Ballarat, North Ballarat Football Club, as well as a number of Advisory Boards. Previous positions: Managing Director – Selkirk Group of Companies, Managing Director Asia/Pacific – FMP Group, Vice President and General Manager Americas – Honeywell Inc.

### Mr Peter Russell Wilson

LLB, Melbourne

**Term of Office** 1 January 2011 to  
31 December 2013

**Years on Council** 5

Practicing Lawyer since 1971. Accredited Specialist in Mediation. Member of Mediation Panels including VCAT, Magistrates Court, Produce Industry; ast Part Time Presiding Member AAT (now VCAT); Past President Ballarat Law Association; Immediate Past Chairman North Ballarat Football Club; Past Chair Ballarat Begonia Festival Association; Life Member, Ballarat Football League, North Ballarat Football Club, Victorian Football League; Australian Sports Medal.

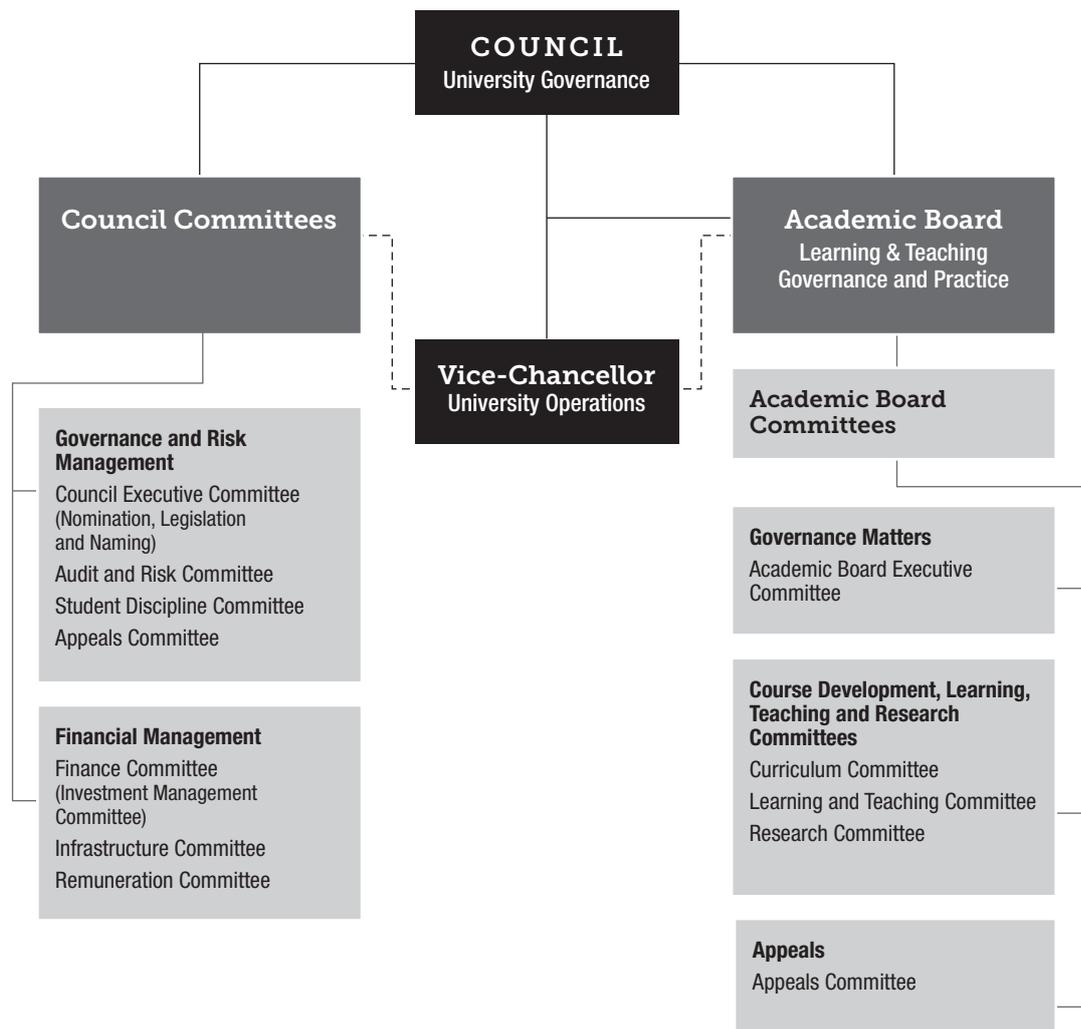
**Table: Council and Committee Membership and attendance at meetings**

Council Member	Committee member and meeting attendance											
	Council		Executive		Audit & Risk		Infrastructure		Finance		Remuneration	
No. of meetings held during the year	9		7		7		7		7		3	
	M	A	M	A	M	A	M	A	M	A	M	A
Dr Paul Hemming <sup>(3)</sup>	•	8	•	7							•	3
Professor David Battersby <sup>(1)</sup>	•	9	•	6					•	6		
Mr Steve Davies <sup>(2)</sup>	•	4										
Dr Meredith Doig <sup>(3)</sup>	•	9			•	5						
Ms Karen Douglas	•	8	•	5			•	7			•	3
Assoc Prof Kim Dowling	•	9	•	7								
Ms Mashelle Parrett	•	9			•	6						
Mr George Fong	•	9					•	7				
Mr Michael Ryan	•	9			•	7			•	7		
Mr Warwick Spargo	•	9	•	6					•	6	•	3
Ms Deborah Spring	•	7							•	7		
Mr Tony Stone <sup>(2)</sup>	•	3										
Mr Peter Wilson	•	9	•	7	•	7						

**M = Member**      **A = No. of meetings attended**

- 1) The Vice-Chancellor is the Chief Executive Officer of the University and has such powers, authorities, duties and functions as prescribed under the Act or as delegated by Council.
- 2) Member appointed during the year and attended the required number of meetings from date of appointment.
- 3) Special leave was granted by Council during the year for meetings not in attendance.

## Governance Structure



## Committees of Council

The Council, by resolution, may constitute and appoint such committees as it thinks fit. A committee appointed by the Council must report to the Council on its activities at such times and in such manner as the Council directs.

Governance and Risk Management Committees	
<b>Council Executive Committee</b>	The Committee is responsible to Council for the conduct of such business as is necessary between meetings of the Council (generally deemed to be of an urgent nature) or such specific business and with such authority as is delegated to it by the Council. The committee also acts as a legislation, naming, honorary degree and nomination committee and advises on matters relevant to the terms and membership of council committees, and university ceremonies.
<b>Audit and Risk Committee</b>	The Committee is responsible to Council for the scope of work, performance and independence of internal audit, the engagement and dismissal by management of any chief internal audit executive, the scope of work, independence and performance of the external auditor, the operation and implementation of the risk management framework, matters of accountability and internal control affecting the operations of the University, and the University's process for monitoring compliance with laws and regulations and its own Human Resource Policies and Procedures and code of financial practice.
<b>Appeals Committee</b>	The Council Appeals Committee comprises three members of Council nominated by Council, one of whom shall be a student. The Committee hears and determines appeals against findings of breach of discipline or exclusion for reasons of unfitness. A summary report from the Appeals Committee is presented annually to Council.
<b>Legislation Committee</b>	To review statutes and regulations to ensure they are comprehensive, relevant and effective.
Financial Management Committees	
<b>Infrastructure Committee</b>	The Committee is responsible to advise Council on and make recommendations for the development of the physical infrastructure of the University. All advice and recommendations made by the Committee should be based upon consideration of: the report received from the University's Probity Advisor; a risk assessment; and an examination of the fit of the proposed project with issues of cultural and community awareness.
<b>Finance Committee</b>	The committee is responsible to Council for advising on matters concerning finance, investments, asset management, insurance, compliance with laws and regulations and its own Code of Finance Practice. The Committee monitors continuing financial viability of the University using key financial indicators and exercises oversight of University companies, trusts, profile and performance agreements, and other major commercial activities.
<b>Remuneration Committee</b>	The Committee sets performance goals and reviews the performance of the Vice-Chancellor on behalf of Council. It also considers and sets the salary and remuneration of the Vice-Chancellor and the senior executive officers.



## Academic Board and its Committees

The principal academic body of the University is the Academic Board. In 2012, the board comprised 31 members of whom 18 were ex-officio members representing senior academic and teaching staff and members of the senior management team, nine elevated members from teaching staff and students across the university and four appointed members.

The purpose of the Academic Board is to provide:

- academic oversight of prescribed academic programs and course of study in the University; and
- advice to the Council on the conduct and content of those programs and courses.

The Board, by resolution, may constitute and appoint such committees, as it thinks fit. A committee appointed by the Board must report to the Board on its activities at such times and in such manner as the Board directs.

### Academic Board Committees

The Academic Board has reduced the number of standing committees to better reflect the single integrated mission of the University. These changes complemented the various structural and business transformations that took place during 2013.



#### Governance Committees

The following committees assist the Academic Board on matters relating to Governance

<b>The Academic Board Executive Committee</b>	To serve as the executive of the Board, make decisions on its behalf as delegated, manage the Board's agenda and schedule of business and initiate discussion and commission papers as requested by the Board on major issues of educational importance.
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#### Course Development, Learning, Teaching and Research Committees

The following committees assist the Academic Board on matters relating to course development, learning and teaching

<b>Curriculum Committee</b>	To advise on all new and modified coursework programs and substantial changes to existing courses in relation to the consistency of courses with the University's Learning and Teaching Plan, the need for new or revised legislation/policy relating to coursework program, amendments to award regulation and the functioning of policies and procedures. Report to the Board on the accordance of programs with the Australian Qualifications Framework.
<b>Learning and Teaching Committee</b>	Advise on matters relating to the measurement, quality improvement and policies and procedures for teaching and learning. To recommend and advise the Board on the development, accreditation, implementation and evaluation of Vocational Education and Training (VET) Program and associated teaching and learning procedures, pathway enhancement strategies.
<b>Research Committee</b>	To provide advice on policy and procedures related to research and research training in the context of the University's research plan, review the University's research plan and report annually to the Academic Board on the implementation of the plan and quality assurance related to research and research training.
<b>Appeals Committee</b>	The Committee meets as required to hear and determine appeals relating to student exclusion or final grade matters.

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## Management Structure

The Vice-Chancellor is the chief executive officer of the University with responsibility for the overall management of its affairs and the implementation of policy. This includes finances, property and academic development of the University, subject to Council's determinations and the University legislation (Statutes and Regulations). The Vice-Chancellor is the primary source of advice to Council in relation to University affairs.

The Vice-Chancellor is responsible to the Council for discharging those duties which it prescribes. The Vice-Chancellor is assisted by a Senior Deputy Vice-Chancellor and four Deputy Vice-Chancellors. Collectively these officers are known as the Vice-Chancellor's Senior Team. Each has specified portfolios of authority and responsibility to assist the Vice-Chancellor in the overall management of the University. The Senior Deputy Vice-Chancellor and Deputy Vice-Chancellors are responsible and accountable to the Vice-Chancellor for performance in their respective portfolios.

The Vice-Chancellor, Senior Deputy Vice-Chancellor and Deputy Vice-Chancellors (within their respective portfolios) have authority to approve the creation and filling of other positions within the University that include responsibility for management of specific areas of activity undertaken by or on behalf of the University. These positions are known as Deans, Directors and Managers. Collectively these officers form the University's leadership and are members of the Vice-Chancellor's Forum. Staff occupying these positions will be responsible and accountable to the Vice-Chancellor or the Senior Deputy Vice-Chancellor or the Deputy Vice-Chancellors, or their nominees.

The Vice-Chancellor has approved the establishment of a number of advisory Committees and these relate to:

- a) The Ballarat Technology Park;
- b) International activities;
- c) Occupational Health and Safety;
- d) Commercial Services;
- e) Budget;
- f) The Professoriate; and,
- g) Information Technology.

Each Committee provides periodic reports to the Vice-Chancellor through Senior Team meetings.

## Review

A formal assessment of the performance of Council and its standing committees, including the Academic Board is completed on an annual basis. Performance measurement is undertaken through the distribution of a review document requiring a confidential written response by all members.

At the end of each year the Chancellor also holds individual discussions with each Council member to discuss the member's response to the Council appraisal form which covers the member's performance and involvement in Council during the previous year.

The Remuneration Committee annually sets performance goals and reviews the performance of the Vice-Chancellor on behalf of Council. It also considers and sets the Vice-Chancellor's and the senior executive officers' salary and remuneration.

The Vice-Chancellor annually sets performance goals and reviews performance of the Senior Deputy Vice-Chancellor and Deputy Vice-Chancellors. Key performance indicators for evaluating the performance of persons occupying these and other management positions are determined on an annual basis.

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## Reporting

Council has set the following annual reporting timelines in relation to the strategic direction of the University:

- a) March Retreat – Council will receive the Vice-Chancellor’s report on progress against strategic priorities; and consider and review the Charter, the Key Performance Indicators and the strategic priorities;
- b) October meeting – Council sets the Strategic Direction for the forthcoming year;
- c) December & July meetings – The Vice-Chancellor reports to Council on the half-yearly achievements against the major directions for the University.

For each meeting of Council, the Vice-Chancellor will present a written report to Council on developments, and the overall operations and achievements of the University.

Council will receive reports on the implementation of plans and policy that have institution-wide applicability in accordance with governing or operational policies.

The University of Ballarat Council is compliant with the Voluntary Code of Best Practice.

**Council will receive periodic reports on:**

- a) the financial position of the University;
- b) the operations of the Academic Board and committees of the Council, which may be in the form of minutes of the meetings;
- c) the operations and achievements of the controlled entities of the University; and
- d) such other matters as the Council may determine. Operational level monitoring of, and reporting on, the implementation of budgets, policies, plans, procedures or similar will be undertaken as required under the relevant policies, procedures or similar instruments, or as required by the authorities approving those instruments.

The monitoring and reporting framework of the University will be subject to independent external audit, the findings of which will be reported to Council.

The University’s Annual Report to the Victorian Government will incorporate the externally audited financial statements of the University and a report on University governance and achievements for the relevant year.

## Role of Council and Duties of Council Members

The *University of Ballarat Act 2010* (the Act), as amended by the *University of Ballarat Amendment (Federation University Australia) Act 2013*, provides the legislative base for the University’s governance and operations. Council is the governing body and is responsible for the University’s direction.

**The role of Council and the duties of Council members are defined as:**

Provide a clear statement on the University’s strategic direction, vision and mission and continually monitor progress against agreed goals.

- Shape and review its vision, mission and values and evaluate its own performance.
- Appoint and appraise the performance of the Vice-Chancellor as chief executive.
- Require and monitor compliance with statutory and regulatory obligations.
- Oversee the establishment and effective operation of key policies consistent with legal requirements and the spirit of community expectations, including those expressed in statutes and regulations.
- Ensure delegated responsibilities and authorities are clearly defined to the Vice-Chancellor and other bodies, and to the Board and other committees.
- Ensure adequate risk management procedures and associated internal controls are established and effectively maintained.
- Approve and monitor commercial undertakings and monitor education, training, research and consultancy activities.
- Oversee the effective and prudential operation of the University and assess performance against key performance indicators agreed with management, including:
  - > approve and monitor budgets and financial plans;
  - > ensure the University’s assets and resources are properly managed; and
  - > approve and monitor controlled entities.
- Effectively manage its own operations, including the appointment of the Chancellor, selection of new members and their induction and the proper execution by members of their fiduciary duties.

**It is the duty of members of Council to:**

- Act always in the best interests of the University as a whole, with this obligation to be observed in priority to any duty a member may owe to those electing or appointing him or her;
- Act in good faith, honestly and for a proper purpose;
- Exercise appropriate care and diligence;
- Not improperly use their position to gain an advantage for themselves or someone else; and,
- Disclose and avoid conflicts of interest.

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## Management of Interests or Conflicts of Interest

Under the provision of the Act, Council members shall declare an interest in a matter being considered. University legislation also requires that at all Council meetings including meetings of its committees and Board the following procedures in relation to pecuniary or other conflicts of interest apply:

- 1) A member of a body who has a pecuniary or other conflict of interest in a matter being considered or about to be considered by the body must, as soon as practicable after the relevant facts have come to his or her knowledge, declare the nature of the interest at a meeting of the body or in writing addressed to the chair of the body.
- 2) If the chair of a body receives a written declaration under subsection (1), the chair must report it, or cause it to be reported, at the next meeting of the body.
- 3) The person presiding at a meeting at which a declaration is made under subsection (1) or reported under sub-section (2) must cause a record of the declaration to be made in the minutes of the meeting.
- 4) After a declaration is made under sub-section (1) by a member of the body –
  - a) unless the body otherwise directs, the member must not be present during any deliberation with respect to that matter; and
  - b) the member is not entitled to vote on the matter;
  - c) if the member does vote on the matter, the vote must be disallowed.
- 5) Notwithstanding the provisions of any other statute or any regulation the Council may remove a member of a body from office as a member of the body if a member fails to disclose a pecuniary or other conflict of interest as required by this section.

In addition:

- 1) Members of the University Council are required to disclose related party interests where those interests could potentially lead to a conflict of interest. "Related party interests" means interests from a relationship which arises from being a member of immediate family, or a relationship which gives rise to a real or potential conflict of interest and includes such matters as matrimonial (including defacto), sexual, financial and business relationships.
- 2) Council members, upon adoption of this procedure or upon appointment to the Council, are required to advise the Council office by completing a disclosure form of potential areas of conflict and/or related transactions with the University. If, during the course of a member's term of office, that member subsequently becomes aware that an interest held by them or a related party may potentially cause a conflict of interest with the University's affairs, they shall advise the Council office as soon as possible. A record of such advice received shall be kept by the Council office.
- 3) Council members will also be required under the *Financial Management Act 1994* and the Australian Accounting Standards to disclose, at the end of each financial reporting period, the transactions that they (or their related party) had with the University during that financial period. This information is reported in the University's Annual Report.
- 4) If the chairperson perceives there to be a conflict of interest of which a member of the Council or a committee of the Council may be unaware, the chairperson shall raise the matter with that individual prior to the meeting concerned.

## Risk Management

The University is committed to the effective management of risk through good governance arrangements and its Risk Management Policy and Procedure and annual Strategic Risk Management review and reporting process.

The Council's Audit and Risk Committee monitors outcomes relating to the risk review and reporting process and provides advice to the Council. The University's Budget Committee continued to monitor the overall financial risk to the University of earned-income projects during 2013.

The Vice-Chancellor's Senior Team and selected members of the Audit and Risk Committee will conduct a strategic risk review in 2014. The review is part of the Strategic Risk Management program, which began in 2006. The review will identify a broad range of organisational risks, their treatment actions, the senior officers responsible, and the anticipated completion dates.

The Audit and Risk Committee monitor the completion of actions relating to High or Extreme risks.

## Register of Shareholdings that includes a Risk Assessment

### Compliance University of Ballarat Subsidiary Companies (Wholly Owned Controlled Entities)

University of Ballarat Associated Entities (part ownerships from shareholdings):		
Entity	Objects	Risk assessment
Inskill Pty Ltd	Holds shareholdings in start-up companies	Low
The School of Mines and Industries Ballarat Limited	Inactive	Low
UB Housing Pty Ltd	Inactive	Low

### Compliance University of Ballarat Other Companies (Associated Entities)

University of Ballarat Associated Entities (part ownerships from shareholdings):		
Entity	Objects	Risk assessment
AINSE Limited	Access for researchers to carry out research in connection with nuclear science and engineering	Low
Australian Research and Education Network Pty Ltd (AARNet)	Provision of internet services to education and research.	Low
Cooperative Action by Victorian Academic Libraries Limited (CAVAL)	Consortium of Victorian University Libraries and State Library of Victoria providing information services and resources.	Low
Datascreen Pty Ltd	Commercialisation of intellectual property.	Low
Education Australia Limited	Recruitment of international students for Australian universities.	Low
VERNet Pty Ltd	Provision of optic fibre to Victorian education sector.	Low
Universities Australia	Body representing the University sector	Low
Telstra Limited	Telecommunications and information services	Low
Council of Australian University Directors of Information Technology Inc (CAUDIT)	Procurement and collaboration in information technology	Low
Regional Universities Network	Collaboration of six universities with headquarters in regional Australia	Low

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## Council Professional Development and Appraisal

Professional Development is provided to each Council member on an annual basis comprising:

- An induction package distributed when members commence;
- A mentor assigned to new members (if requested);
- A Professional Development and Induction Workshop;
- A Council Retreat comprising two days of professional development;
- Participation in events organised by the relevant Commonwealth and State Government Departments responsible for Higher Education and TAFE;
- Additional workshops addressing specific skills i.e. Financial Statements, Audit and Risk, Protocols.

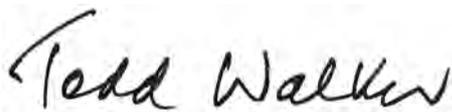
A formal assessment of the performance of Council and its standing committees is completed on an annual basis. Performance measurement is undertaken through the distribution of a review document requiring a confidential written response by all members.

## Indemnity of Councillors and Senior Officers

The University has Directors and Officers liability insurance in place for the indemnity of Councillors and Senior Officers relating to the conduct of their duties and responsibilities as officers of the University.

## Attestation on compliance with the Australian/ New Zealand Risk Management Standard

I, Todd Walker certify that the University of Ballarat has risk management policies, procedures and processes in place consistent with the Australian/New Zealand Risk Management Standard (or equivalent designated standard) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control strategic risk exposures. The Audit and Risk Committee of the University Council verifies this assurance and that the strategic risk profile of the University of Ballarat has been critically reviewed within the last 12 months.



Todd Walker  
Deputy Vice-Chancellor (Engagement)  
18 February 2014

# Organisational and Regulatory Information

## Student Load Performance

### TAFE Programs

Overall, the University delivered VET programs to over 8,600 students in 2013, equating to approximately 2.3 million Student Contact Hours (SCH) of training – with 1.8 million SCH related to funding from the State Government and 0.5 million SCH in non-government funded training.

The significant decline in training activity in 2013 represents the cessation of a number of courses following changes to government funding arrangements.

### TAFE Training Delivery and Performance Summary

	2013 Actual SCH million	2012 Actual SCH million	% difference
Government Funded	1.8	2.3	-22%
Non-Government Funded	0.5	0.8	-37%
<b>Total ( SCH )</b>	<b>2.3</b>	<b>3.1</b>	<b>-26 %</b>

### Higher Education Programs

#### Domestic Commonwealth Supported Place (CSP) funded Student Enrolments

The total CSP funded student load for 2013 totalled 4,339 EFTSL. This is a 0.79% decrease on the previous year and represents a plateau in demand for places. Commencing student enrolment in undergraduate programs remains relatively stable across all disciplines and reflects continue strong demand for programs that lead to professional qualifications in areas of education, nursing and engineering.

#### Higher Education CSP Funded Equivalent Full Time Student Load (EFTSL)\*

	Actual 2012*	Estimated Actual 2013 #	% difference
Undergraduate	4,033	4,001	(0.79%)
Postgraduate	338	338	0.0%
<b>Total</b>	<b>4,371</b>	<b>4,339</b>	<b>1.9%</b>

\*Actual 2012 represents the domestic undergraduate and postgraduate student load funded by the Federal Government as per agreed load funding arrangements.

# Estimated Actual 2013 EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2014.

## Domestic Research and Fee-Paying Student Enrolments

The University's non-commonwealth funded load comprises a small program of activities which varies from year to year based on demand. The changes in enrolled load in 2013 reflect a 33.8% increase in places being offered to domestic students in the Research Training Scheme, offset by a reduction of 40% in domestic fee paying students studying in Non-Award programs.

### Higher Education Non-Commonwealth Funded Load

Category	Report Group	2012 Actual EFTSL	2013 Estimated EFTSL*	%Over (Under)
Research	Research Training Scheme	101	136	33.8%
Research	Domestic Fee-Paying	0	0	0.0%
Research	International	37	37	0.0%
<b>Total</b>		<b>138</b>	<b>173</b>	<b>20.2%</b>
Fee Paying Domestic Students	Non-Award	24	14	(40.9%)
Fee Paying Domestic Students	Postgraduate	259	261	0.7%
<b>Total</b>		<b>283</b>	<b>275</b>	<b>(2.9%)</b>

\*Estimated Actual EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2014.

## International Student Enrolments

International student commencements in 2013 showed a decline compared to previous years. This continues a residual declining trend due to global economic conditions, student visa integrity issues and changes to the Australian Government immigration policies. Consistent with prior years, students from India and China constitute the majority of international students for both on-campus and on-shore partner providers.

### Commencing International Student Enrolled Load at Provider Locations: On-Shore\*

City of Provider	2012 Actual EFTSL	2013 Estimated EFTSL*	% Over (Under)
Adelaide	102	121	18.6%
Geelong	64	91	42.2%
Melbourne	1062	826	(22.2%)
Sydney	561	328	(41.5%)
<b>Total</b>	<b>1789</b>	<b>1366</b>	<b>(23.6%)</b>

\*Estimated EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2014

**Commencing International Student Enrolled Load  
at Provider Locations: Off-Shore\***

Country	2012 Actual EFTSL	2013 Estimated EFTSL*	% Over (Under)
HE – China	61	0	(100%)
HE – Malaysia	43	14	(67.4%)
HE – Hong Kong	170	116	(31.8%)
HE – Singapore	76	79	3.9%
HE – Sri Lanka <sup>(1)</sup>	46	3	(93.5%)
HE – Viet Nam <sup>(1)</sup>	12	0	(100.0%)
<b>Total</b>	<b>408</b>	<b>212</b>	<b>(92.45%)</b>
TAFE – Hong Kong <sup>(2)</sup>	3.0	1.0	%
TAFE – New Zealand <sup>(2)</sup>	1.6	–	%
<b>Total</b>	<b>4.6</b>	<b>1.0</b>	<b>%</b>

\*Estimated EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2014

- (1) The decrease from 2012 represent programs that were delivered on a one-off basis
- (2) Single unit enrolments where 720 Student Contact Hours is equated to 1 EFTS.

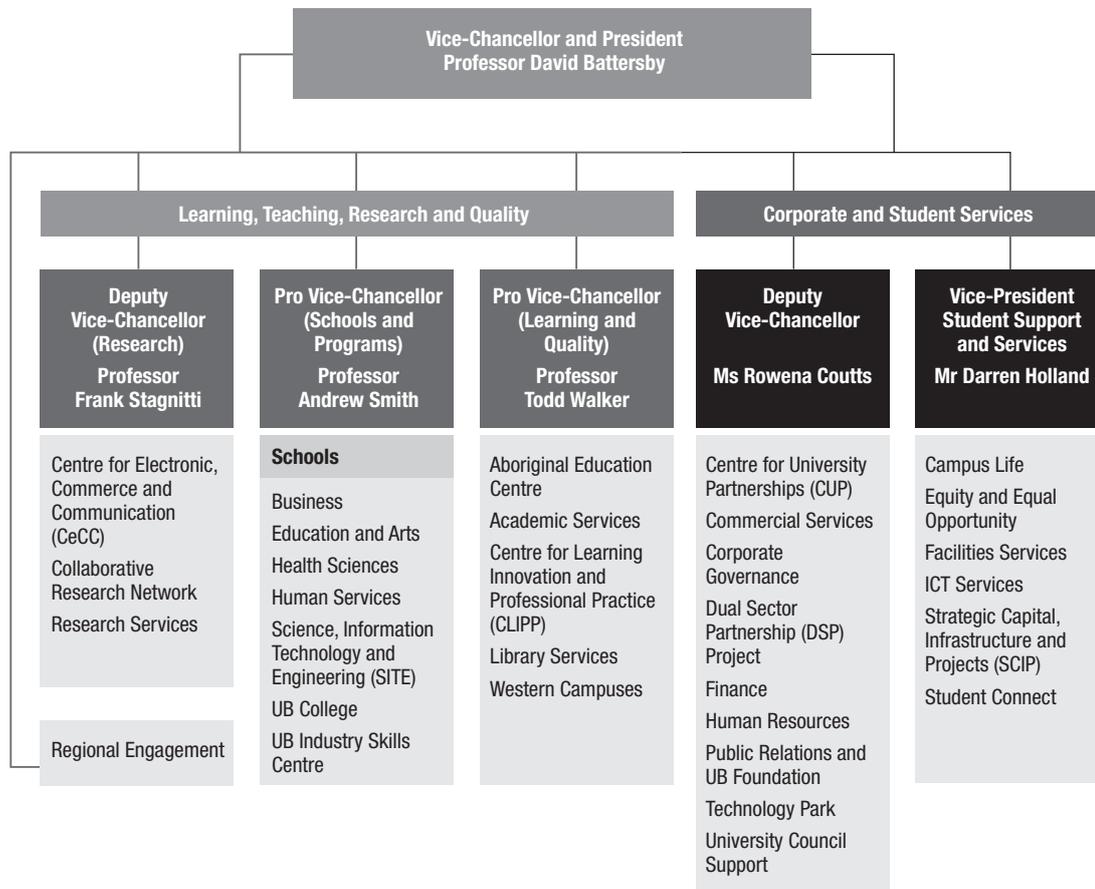
**Commencing International Student Enrolled Load at  
Ballarat Campuses – On-Shore\***

School	2012 Actual EFTSL	2013 Estimated EFTSL*	% Over (Under)
Business	80	67	(16.3%)
Education/Arts	28	15	(46.4%)
Health Sciences	89	41	(53.9%)
Research	12	6	(50.0%)
SITE	82	75	(8.5%)
<b>Total Higher Education</b>	<b>291</b>	<b>204</b>	<b>(42.7%)</b>
Business Services <sup>(1)</sup>	1.6	-	%
Health Sciences <sup>(1)</sup>	1.6	-	%
Human Services <sup>(1)</sup>	0.1	-	%
UB College <sup>(1)</sup>	-	1.0	%
<b>Total TAFE<sup>(1)</sup></b>	<b>3.3</b>	<b>1.0</b>	<b>%</b>

\*Estimated EFTSL is subject to reconciliation process with the final submission of data to DEEWR in April 2014.

- (1) Single unit enrolments where 720 Student Contact Hours is equated to 1 EFTS

## 2013 Organisational Chart



## Staff Workforce Data as at 31 December 2013

	2012		2013	
	No of Persons	Full-time Equivalent	No of Persons	Full-time Equivalent
<b>Higher Education Academic Staff*</b>				
<b>On-going</b>				
Male	113	108.3	109	105.5
Female	110	102.71	117	107.31
<b>Fixed-Term</b>				
Male	32	29.2	28	25.4
Female	33	28.1	34	26.7
<b>TOTAL</b>	<b>288</b>	<b>268.31</b>	<b>288</b>	<b>264.91</b>
Total Male	145	137.5	137	130.9
Total Female	143	130.81	151	134.01
*Does not include casual staff (estimated to be full-time equivalent staff 35.58 for 2012 and 36.25 for 2013), nor staff employed by third party providers. Probationary staff are included in the ongoing staff statistics.				
<b>VET Teaching Staff*</b>				
<b>On-going</b>				
Male	70	68.4	62	59.8
Female	49	39.85	50	41.65
<b>Fixed-Term</b>				
Male	16	14	15	14
Female	8	7.3	7	6.3
<b>TOTAL</b>	<b>143</b>	<b>129.55</b>	<b>134</b>	<b>121.75</b>
Total Male	86	82.4	77	73.8
Total Female	57	47.15	57	47.95
*Does not include casual staff (estimated to be full-time equivalent staff 33.15 for 2012 and 30.20 for 2013), nor staff employed by third party providers.				
<b>General Staff*</b>				
<b>On-going</b>				
Male	131	121.15	132	123.07
Female	317	274.46	313	270.55
<b>Fixed-Term</b>				
Male	38	36.58	47	44.18
Female	70	56.26	90	78.8
<b>TOTAL</b>	<b>556</b>	<b>488.45</b>	<b>582</b>	<b>516.61</b>
Total Male	169	157.73	179	167.25
Total Female	387	330.72	403	349.35
*Does not include casual staff (est. to be full-time equivalent staff 69.80 for 2012 and 71.89 for 2013), nor staff employed by third party providers				

# Industrial Relations

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The major industrial instruments in which University staff terms and conditions of employment are stipulated are:

- The University of Ballarat Union Collective Agreement 2010–2012 Academic and General Staff Employees; and
- The Victorian TAFE Teaching Multi-Business Agreement 2009 (for TAFE Teachers).

Both Agreements nominally expired in 2012 and negotiations commenced in March 2013 for replacement Agreements. Due to the Monash University Enterprise Agreement applying to Monash Gippsland employees transferring to Federation University Australia on 1 January 2014, agreement was reached with the involved unions to defer enterprise bargaining until no later than 30 June 2014. This will allow for the negotiation of a new Federation University Australia enterprise agreement that may apply to all staff.

A small amount of industrial activity occurred during enterprise bargaining, predominantly concerning bans of transmission of student results, part-day stoppages and some partial work bans however no days were lost due to strikes or industrial disputes in 2013.

Major tasks in 2013 have been the completion of the TAFE Restructure following a significant reduction in government funding for a number of TAFE programs, together with preparation for the commencement of Federation University Australia on 1 January 2014.

A further round of voluntary redundancies was conducted in 2013, which resulted in a number of TAFE teachers and general staff ceasing University employment. A small number of targeted redundancies also occurred in the latter half of 2013.

## 2013 Achievements

### Staff well-being initiatives

In 2013 Human Resources ran a series of workshops on Building Resilience and Authentic Happiness that provided staff with information and strategies for managing both workplace and personal change. In total five workshops were organised with over 100 staff in total attending.

### Employee Assistance Program

The Employee Assistance Program is now in its 10th year with EAP, Manager Assist and Career Assist services continuing to be well supported by staff members and their immediate family. An additional element of Conflict Assist was also added this year. There was an increase in Manager Assist services this year as well as an increase the utilisation of EAP services by telephone.

In April 2013 the University and Resolutions RTK launched an on-line portal for EAP services to staff and managers. This launch included information briefings for managers on the portal and on managing change and resilience; and a lunch box session with staff on how to use the portal and a brief talk on Authentic Happiness.

To 30 November 2013 there have been 324 counselling sessions undertaken with a utilisation rate of 5.25%. This is slightly down on 2012.

## WorkCover

The University remains committed to providing staff members with support and assistance following a work-related injury, and promoting effective and sustainable rehabilitation assistance in accordance with the Accident Compensation Act 1985.

The aim, in the case of all WorkCover claims received, is to ensure that a cooperative and proactive environment is created to enable successful outcomes to be achieved for both the injured staff member and the University.

In 2013 there has been a significant drop in both claims received and the number of standard claims. In total 30 claims were received, 76% of these were minor in nature. However a number of long term claims have affected our premium for the 2013/2014 financial year.

Muscular strain/repetitive use injuries continue to be the cause of the highest number of claims in 2013 accounting for 20% of the total claims received. Slips, trips and falls is the second highest incidence for claims accounting for 16% of injuries claimed for. There were a total of five stress-related claims received by the University in 2013 which is comparable to 2012's total.

There was an over 64% reduction in standard claims costs for 2013, however the 2012/2013 premium notice show has increased by 18.31% from the 2011/2012 premium.

The University's performance rating (when compared to other Universities) is currently 90.71% above the average for our industry classification. The benchmark from WorkSafe is currently 0.6110%.

The University is seeking to implement a range of early intervention measures in 2014 and ongoing to endeavour to reduce claims and premium costs.

### WorkCover Key Performance Indicators

#### Incidence of Claims:

- Number of standard claims reported: seven claims (decreased from 20 std claims in 2012).
- Claims frequency rate: 0.07 per \$million remuneration (decreased from 0.22 per \$million in 2012).

#### Claims Costs:

- Average cost of claims \$9,824 per claim (increased from \$7,497 in 2012).
- Claims cost ratio: \$679 per \$million remuneration (decreased from \$1,632 per \$million remuneration in 2012).

## Distinguished Service List

The University thanks the following staff who departed the organisation in the period 1 January 2013 to 31 December 2013.

Their combined efforts represent more than 271.69 years of service to the University and its communities.

Name	Start Date	Date Left	Years of Service	Position Description	School / Section
Mr Paul Calistro	03Sep90	13Dec13	23.25	Technical Officer	Industry Skills Centre
Mrs Diane Clingin	31Jul89	11Oct13	24.16	Research Administrative Manager	Research Services
Mrs Lyndall Cooper-Smith	15Jan90	30Oct13	23.76	Educational Developer	CLIPP
Mr Rod Griffin	04Aug75	13Dec13	38.33	Team Leader, Accounts Payable	Finance
Mr Alan Pink	05Feb80	13Dec13	33.84	Advanced Skills Teacher	The Business School
Mrs Merrill Pink	04Feb80	13Dec13	33.84	Teacher	The Business School
Mrs Dianne Richards	24Apr89	13Dec13	24.59	Teacher	Federation College
Ms Gayle Richards (deceased)	02Mar92	02Jun13	21.25	School Business Manager	School of Science, IT and Engineering
Mr Ewen Ross	28Oct85	13Dec13	28.08	Advanced Skills Teacher	School of Education & Arts
Mr Anthony Thake	26Apr93	13Dec13	20.59	Teacher	Industry Skills Centre
			<b>271.69</b>		

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## Access & Equity

### Workplace Gender Equality Agency (WGEA) Reporting

In 2012 the the *Federal Equal Opportunity for Women in the Workplace Act 1999* was replaced by the *Workplace Gender Equality Act 2012*. Under the new legislation, the Equal Opportunity for Women in the Workplace Agency (EOWA) was renamed the Workplace Gender Equality Agency (WGEA).

In 2013, the University submitted its first annual compliance report under the new legislation, and was assessed as compliant.

### Program and student focused initiatives

With respect to Higher Education, the Australian Government has a particular focus on raising the participation rate of people from low socio-economic (SES) backgrounds – with a target of 20 per cent of domestic undergraduate students coming from low SES backgrounds by 2020. UB is already above the Government's target, and aims to increase this rate further.

In Higher Education initiatives targeting low SES students, amongst others, included:

- administration of the Commonwealth Scholarship Scheme;
- offering a UB Financial Aid Scholarship program, targeting Indigenous students and students from rural and low socio-economic backgrounds;
- provision of Book Bursaries to commencing undergraduate students in financial need;
- implementation of the University's Regional Schools Outreach Program (RSOP), with a focus on increasing access to university of students from rural and low socio-economic backgrounds;
- implementation of a community-based project to enhance aspirations of students in the local Sebastopol / Delacombe area to engage with higher education;
- continuation of a range of transition and support programs including UBReady, first year Mentor Program, Peer Assisted Study Sessions (PASS), Academic Skills and Knowledge (ASK) drop in service, and Leadership Program;

In Vocational Education and Training, (VET), as part of the University's performance agreement with the Victorian Skills Commission, particular focus was on

- support for the implementation of Wurreker including achievement of the University's Indigenous Education Program targets and progress towards the Victorian Government Koorie employment target; and
- enabling students with disabilities to access and participate in education without experiencing discrimination.

### Indigenous students

Across the University, in both Higher Education and VET, the University supported the access and success of Indigenous students through the Aboriginal Education Centre, and through implementing the strategies of the Reconciliation Action Plan.

### Students with a disability

Support for students with disabilities across the University continued to be enhanced through the work of the Disability Liaison Unit. The range of services includes arranging for production of materials in Braille and use of BrailleNote refreshable Braille display; provision of note-taking services; provision of Live Remote Captioning and Auslan interpreting for Deaf students; and continuing use of WYNN literacy software.

### Staff Development

In 2013, the University implemented initiatives to enhance access and equity outcomes for staff, including:

- all staff access to an on-line Workplace Discrimination and Harassment – Legal Compliance Staff Development program to assist staff to implement the University's responsibilities under equal opportunity and discrimination legislation and policies;
- development and implementation of three Women in Leadership programs;
- all staff access to a dedicated work/family/personal life balance web-resource including three University developed toolkits: Maternity Leave Toolkit; Flexible Work Arrangements Toolkit; Job Split, Job Share, Job Support Toolkit.

# Regulatory Compliance

## Application and Operation of the 'Freedom of Information Act 1982'

### General statement

The office of the Senior Deputy Vice-Chancellor, Corporate Services was responsible for the processing of applications for information under the *Freedom of Information Act 1982*. The following information and references are provided to meet the reporting requirements of the *Freedom of Information Act 1982*.

### Description of the University and its Decision-Making Powers

The University is described, and reference to its objects is made on page 4 of this report. The University's website [federation.edu.au](http://federation.edu.au) outlines the areas of work and responsibility which each School and Portfolio of the University administers. The University Council has responsibility for the direction and superintendence of the University and has power to make statutes and regulations in accordance with the *University of Ballarat Act 2010*.

### Categories of documents

The University holds an extensive range of documents, procedural statements, policies, statutes and regulations. General enquiries relating to the gaining of access to these documents and/or a copy thereof may be made to the University General Counsel. However, enquirers may go direct to the office involved in the preparation and implementation of the area of responsibility concerned as indicated hereunder as at 31 December 2013.

#### Vice-Chancellor's Office:

- Policies and directives from the:
- Vice-Chancellor
- Senior Deputy Vice-Chancellor
- Deputy Vice-Chancellors
- Documents pertaining to Aboriginal Education.

#### Further documents available from the Senior Deputy Vice-Chancellor, Corporate Services:

- Documents pertaining to the Legal Office, Council and its Committees, External Marketing, Public Relations, Community Relations matters, University Legislation and International Programs;
- Documents pertaining to Appointments and Recruitment, Industrial Relations, Enterprise Bargaining, Salaries, Staff Records, Staff Development and Training, Superannuation, Occupational Health and Safety and WorkCover, and the procedures and processes relating thereto;
- Documents pertaining to the University of Ballarat Technology Park;
- Documents pertaining to Commercial Services and the procedures and processes relating thereto;

- Documents pertaining to University Financial Planning, Budgets, Finances, Financial Reporting, Asset Management, Insurance, and the procedures and processes relating thereto;
- Documents pertaining to the management of Student Loans and Parking Procedures.

#### Further documents available from the Deputy Vice-Chancellor, Learning and Quality:

- Documents pertaining to Academic Secretariat, Curriculum Renewal and Development and Planning;
- Documents pertaining to University-wide policies, procedures and guidelines and the procedures and processes relating thereto;
- Documents pertaining to Professional Practice, Learning Environment, Library Services and Records Management.

#### Further documents available from the Deputy Vice-Chancellor, Research:

- Documents pertaining to Research and the procedures and processes relating thereto.

#### Further documents available from the Deputy Vice-Chancellor, Student Support and Services:

- Documents pertaining to Equity, Disability and Equal Opportunity;
- Documents pertaining to Student Services and Student Administration (direct enquiry may be made to the Director, Student Connect);
- Documents pertaining to Scholarships and Awards;
- Documents pertaining to Communications Services, Information Technology Services, Media Technology Services, Web Services, Printing Centre, and the procedures and processes relating thereto;
- Documents pertaining to management of the 1870 Founders' Theatre, Accommodation and Halls of Residence (direct enquiry may be made to the Director, Campus Life), Catering, Bar and Conference Management (direct enquiry may be made to the Manager, Conference & Catering Services), and the procedures and processes relating thereto;
- Documents pertaining to Capital Works and Maintenance Programs and Stores and Supplies.

#### The Administrative Office of each School:

- Documents and procedures relating to specific academic programs may be obtained from the Office of the Dean of School in each case.

#### Subscription Services and Free Mailing Lists:

- The University does not normally provide literature by way of a subscription service or free mailing lists.

### Formal Freedom of Information Requests:

The University has a policy of providing access where possible to documents and publications produced by the University.

Persons wishing to obtain information by following the procedures laid down under *Freedom of Information Act 1982* may contact the University General Counsel, Mr D White, Administration Building, Mt Helen Campus, Federation University Australia, University Drive, Mt Helen, VIC 3350. Telephone: (03) 5327 9188 or by email to [foi@federation.edu.au](mailto:foi@federation.edu.au).

There were six (6) requests for information under the *Freedom of Information Act 1982* during the year.

### 'Whistleblowers Protection Act 2001'

The following information is provided pursuant to section 104 of the *Whistleblowers Protection Act 2001*. Note that the *Whistleblowers Protection Act 2001* was repealed by the *Protected Disclosure Act 2012* on 10 February 2013.

**As per the University's Whistleblower Procedure and in accordance with the Victorian Ombudsman's guidelines:**

The current procedures established by the public body under Part 6	*see above
The number and types of disclosures made to the public body during the year	Nil
The number of disclosures referred during the year by the public body to the Ombudsman for determination as to whether they are public interest disclosures	Nil
The number and types of disclosed matters referred to the public body during the year by the Ombudsman	Nil
The number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	Nil
The number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	Nil
The number of requests made under section 74 during the year to the Ombudsman to investigate disclosed matters	Nil
The number and types of disclosed matters that the public body has declined to investigate during the year	Nil
The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	Nil
Any recommendations of the Ombudsman under this Act that relate to the public body	Nil
Provide a statement on the number of complaints made to and investigated by the Ombudsman involving the University	N/A

### 'Protected Disclosure Act 2012'

The University is a public body to which the *Protected Disclosure Act 2012* applies.

Under the Act the University is not permitted to receive protected disclosure complaints and is not required to report on the number and types of protected disclosure complaints.

The University requires allegations of improper conduct as defined in the Act to be reported directly to the Independent Broad Based Anti-Corruption Commission ('IBAC').

The procedures established by the University in accordance with the Act are available from the University website at: [http://policy.federation.edu.au/corporate\\_governance/governance/protectdisclosure](http://policy.federation.edu.au/corporate_governance/governance/protectdisclosure)

### National Competition Policy

#### General statement

The University is committed to ensuring that it complies with the requirements of the National Competition Policy and the Competition and Consumer Act 2010.

#### Assurance programs

##### Competition and Consumer Law Compliance Manual:

The University has in place a Competition and Consumer Law Compliance Manual, which reflects the provisions of the Competition and Consumer Act 2010 as it applies to the University. The Competition and Consumer Law Compliance Manual is readily available on the University website at <http://policy.federation.edu.au/> and reference to the manual is included in induction material provided to new staff. In addition, the University's Legal Office conducts regular training sessions to staff in the University's various School and Portfolios regarding competition and consumer law. For provision of commercial services, the University uses a costing model which adopts competitive neutrality and is in accordance with the 'Competitive Neutrality Policy Victoria'.

### 'Education Services for Overseas Students Act 2000'

#### General statement

The University provides experiences to international students that are equivalent to those provided to domestic students. The University has established policies, procedures and student support services to ensure it is compliant with the Educational Services for Overseas Students (ESOS) Act 2000 (as amended 2010) and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2007. These processes are regularly reviewed to ensure their effectiveness and that they support the positive learning experience for international students.

## Assurance programs

**ESOS Compliance Team** – The ESOS Compliance Team is comprised of representatives from all Schools and Portfolios. Meetings of this team ensure issues regarding ESOS compliance are raised, discussed and resolved in a timely manner.

**Joint Operations Committees** – The Joint Operations Committees are comprised of representatives from Schools and Portfolios and representatives from the University's Partner Providers. The meetings look at operational issues including ESOS compliance issues which are discussed and resolved in a timely manner.

**Internal audit** – Internal audits are conducted against the University's ESOS Compliance Framework. These audits are conducted on campus and at Partner Provider locations across all programs and courses, student recruitment and student support areas. Results of these audits are reported to the International and Partnerships Committee for discussion and review.

## 'Building Act 1993'

### General statement

The University holds all plans and documentation for building extensions and new buildings lodged for issue of building approvals by certified building surveyors. Upon completion of construction the University has obtained Certificates of Occupancy and practical completion certificates from the relevant architects and surveyors.

### Assurance programs

**Certification of Building Compliance – Essential Safety Measure** audits and inspections were undertaken throughout 2013 at all Campuses and corrective action taken to address noncompliance.

**Building Maintenance Programs** – The University has an ongoing maintenance program (using University staff and engagement of specialist external contractors) for works to the existing buildings controlled by the University.

### Compliance statement

It is considered that all buildings on campus currently conform to the Building Regulations as existed at the time of construction of the respective buildings. All new buildings constructed since the promulgation of the Building Act 1993, comply with those relevant standards. The University has an ongoing program to ensure that any alterations or improvements to buildings meet the necessary standards to ensure that they are safe and fit for purpose.

## Grievance and Complaints Procedures

### General statement

The University is committed to ensuring that all students and staff have a positive relationship with the University and members of the University community.

### Assurance programs

#### Grievance and Complaint Procedures:

Where issues arise, the University has established the following procedures that include processes for receiving and processing complaints:

- Student Grievance Policy & Procedure
- Student Appeal Policy & Procedure
- Staff Grievance Policy & Procedure

#### Diversity, Equal Opportunity and Prevention of Bullying:

Where issues arise, the University has established the following procedures that include processes for receiving and processing complaints:

- Equal Opportunity and Valuing Diversity Policy
- Bullying Prevention and Management Policy & Procedure
- Harassment Policy
- Harassment Complaint Procedure
- Protected Disclosures Procedure

(Policies and procedures can be downloaded from: <http://federation.edu.au/staff/policy-central>)

#### Ombudsman:

Complaints about administrative actions and decisions of the University can be made to the Victorian Ombudsman ([www.ombudsman.vic.gov.au](http://www.ombudsman.vic.gov.au)). The Ombudsman is, generally, the office of last resort. If the steps set out in the relevant University procedures are not followed, the Ombudsman may request that this occurs before considering a complaint.

Thirty-two (32) complaints involving the University were made to the Ombudsman and seven (7) of these were referred back to the University for investigation and/or further action.

## University Contacts

PO Box 663, Ballarat, Victoria, 3353, Australia

Telephone: 1800 FED UNI (1800 333 864)

Facsimile: (03) 5327 9704

Web Site: [www.federation.edu.au](http://www.federation.edu.au)

Email: [info@federation.edu.au](mailto:info@federation.edu.au)

CRICOS Provider Number 00103D | ABN 51 818 692 256

## University Campuses

### Ballarat – Mt Helen Headquarters

University Drive, Mt Helen, Victoria, 3353, Australia

### Ballarat – SMB

107 Lydiard Street South, Ballarat, Victoria 3350

### Camp Street

Arts Academy, Camp Street Precinct, Ballarat, Victoria 3350

### Wimmera

Baillie Street, Horsham, Victoria 3400

### Gippsland

Northways Road, Churchill, Vic 3842

## Website address for current and previous Annual Reports

Annual Reports prior to 2013 can be found at: <http://federation.edu.au/about-feduni/our-university/portfolios/learning-and-quality/academic-services/data-analysis-and-reporting/organisational-data>

## Information contained on the University website

The following links to additional information about the University and its activities can be made from the University's home page at: [www.federation.edu.au](http://www.federation.edu.au)

Information includes:

- General Information & News
- Resources and Services
- Important Announcements
- Governance
- Prospective Students
- International Education
- Student Life at the University of Ballarat
- Business and Community
- Alumni

## Other Relevant Information available at the University

### Information not contained in the Annual Report

The following information, details of which are not all included in this report, are available, through contact with the Office of the Vice-Chancellor, Telephone: (03) 5327 9500:

- a) declarations of pecuniary interests duly completed by all relevant officers;
- b) details of shares held by a senior officer as nominee or held beneficially in statutory authority or subsidiary;
- c) details of publications produced by the University about the University and the places where the publications can be obtained;
- d) details of changes in prices, fees, charges, rates and levies charged by the University;
- e) details of any major external reviews carried out on the University;
- f) details of major research and development activities undertaken by the University;
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h) details of major promotional, public relations and marketing activities undertaken by the University to develop community awareness of the University and the services it provides;
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees;
- j) a general statement on industrial relations within the University and details of time lost through industrial accidents and disputes;
- k) a list of major committees sponsored by the University, the purposes of each committee and the extent to which the purposes have been achieved.

# Appendix 1

## University Disclosure Index

The Annual Report of the University of Ballarat is prepared in accordance with:

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
DEEWR	Department of Education, Employment and Workplace Relations
ESOS	<i>Education Services for Overseas Students Act 2000</i>
ETRA2006	<i>Education and training reform Act 2006</i>
FMA	<i>Financial Management Act 1994</i>
FRD	AIFRS Financial Reporting Directions
PAEC	Decision of Public Accounts and Estimates Committee of Parliament
RUG	Victorian Government response to the Review of University Governance
SD	Standing Directions of the Minister for Finance issued under the Financial

Item No.	Source Reference	Disclosure	Page(s) f# indicates Financial Section
<b>STANDING DIRECTIONS OF THE MINISTER FOR FINANCE</b>			
1	SD 4.2(g)	Report of Operations contains general information about the entity and its activities, highlights for reporting period and future initiatives and is prepared on a basis consistent with financial statements pursuant to the Financial Management Act 1994.	2–42
2	SD 4.2(h)	Report of Operations is prepared in accordance with Financial Reporting Directions.	f1
3	SD 4.2(j)	Report of Operations is signed and dated by Chancellor or equivalent and includes date of Council Meeting at which Annual Report was approved.	2
4	SD 4.2(a)	Financial Statements are prepared in accordance with: <ul style="list-style-type: none"> <li>• Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements;</li> <li>• Financial Reporting Directions; and</li> <li>• Business Rules.</li> </ul>	f1–f12
5	SD 4.2(b)	Financial Statements available, including: <ul style="list-style-type: none"> <li>• Balance Sheet and income statement;</li> <li>• Statement of Recognised Income and Expense;</li> <li>• Cash Flows Statement; and</li> <li>• Notes to the financial statements.</li> </ul>	f3–f52
6	SD 4.2(c)	Signed and dated statement by Accountable Officer stating that financial statements: <ul style="list-style-type: none"> <li>• Present fairly the financial transactions during reporting period and the financial position at end of the period;</li> <li>• Were prepared in accordance with Standing Direction 4.2(c) and applicable Financial Reporting Directions; and</li> <li>• Comply with applicable Australian Accounting Standards (AAS and AASB standards) and other mandatory professional reporting requirements.</li> </ul>	f1
7	SD 4.2(d)	Financial Statements are expressed in the nearest dollar except where the total assets, or revenue, or expenses of the institution are greater than: <ul style="list-style-type: none"> <li>• \$10,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$1,000; and</li> <li>• \$1,000,000,000, the amounts shown in the financial statements may be expressed by reference to the nearest \$100,000.</li> </ul>	f11
8	SD 4.2(e)	The financial statements were reviewed and recommended by the Audit Committee or Responsible Body prior to finalisation and submission.	f1 f50–f51
9	SD 4.5.5	Attestation on compliance with the Australian/New Zealand Risk Management Standard.	24
<b>FINANCIAL REPORTING DIRECTIONS continued</b>			
10	FRD 03A	Accounting for Dividends	n/a
11	FRD 07A	Early Adoption of Authoritative Accounting Pronouncements	f12
12	FRD 9A	Administered assets and liabilities	f20
13	FRD 10	Disclosure Index	37
14	FRD 11	Disclosure of Ex-gratia Payments	f49
15	FRD 15B	Executive Officer Disclosures	f28
16	FRD 17A	Long Service Leave Wage Inflation and Discount Rates	f10
17	FRD 19	Private Provision of Public Infrastructure	n/a
18	FRD 21B	Responsible Person and Executive Officer Disclosure in the Financial Report	f28
19	FRD 22C	Details of consultancies over \$10,000 (refer to FRD for information required)	41
20	FRD 22C	Details of consultancies under \$10,000 (refer to FRD for information required)	41
21	FRD 22D	Manner of establishment and the relevant Minister	f2

No.	Source Ref.	Disclosure	Page(s)
<b>FINANCIAL REPORTING DIRECTIONS continued</b>			
22	FRD 22D	Objectives, functions, powers and duties	13
23	FRD 22D	Nature and range of services provided including communities served	12
24	FRD 22D	Organisational structure and chart, including accountabilities	28
25	FRD 22D	Names of Council members	14–16
26	FRD22 & SD 4.2(k)	Operational and budgetary objectives, performance against objectives and achievements	2–42
27	FRD 22D	Occupational health and safety statement including performance indicator and performance against those indicators	31
28	FRD 22D	Workforce data for current and previous reporting period including a statement on employment and conduct principles	29
29	FRD 22D	Summary of the financial results for the year including previous 4 year comparisons	40
30	FRD 22D	Significant changes in financial position during the year	39
31	FRD 22D	Major changes or factors affecting performance	39
32	FRD 22D	Post-balance sheet date events likely to significantly affect subsequent reporting periods	f49
33	FRD 22D	Summary of application and operation of the Freedom of Information Act 1982	33–34
34	FRD 22D	Statement of compliance with building and maintenance provisions of the Building Act 1993	35
35	FRD 22D	Statement on National Competition Policy	34
36	FRD 22D	Summary of application and operation of the Protected Disclosure Act 2012	34
37	FRD 22D	Summary of Environmental Performance.	9–10, 42
38	FRD 22D	List of certain other information available on request (as specified in the FRD)	36
39	FRD 24C	Reporting of office based environmental impacts	9–10, 42
40	FRD 25A	Victorian Industry Participation Policy in the Report of Operations	39
41	FRD 26A	Accounting for VicFleet Motor Vehicle Lease Arrangements on or after 1 February 2004	n/a
42	FRD 30A	Standard requirements for the design and print of annual reports	n/a
43	FRD 101	First time adoption	n/a
44	FRD 102	Inventories	f18
45	FRD 103D	Non-current physical assets	f19
46	FRD 104	Foreign currency	f11, f35
47	FRD 105A	Borrowing Costs	f8
48	FRD 106	Impairment of assets	f8–f11
49	FRD 107	Investment properties	f21
50	FRD 109	Intangible assets	f10, f21
51	FRD 110	Cash Flow Statements	f5
52	FRD 112C	Defined benefit superannuation obligations	f27
53	FRD 113	Investments in Subsidiaries, Jointly Controlled Associates and Entities	f32
54	FRD 114A	Financial Investments	f36
55	FRD 115	Non-current physical assets – first time adoption	n/a
56	FRD 119	Contributions by owners	n/a
57	FRD 119A	Transfers through contributed capital	n/a
58	FRD 120G	Accounting and reporting pronouncements applicable to the reporting period	f12
59	FRD 121	Infrastructure assets	n/a
<b>FINANCIAL MANAGEMENT ACT 1994 (FMA)</b>			
60	FMA 1994 49 (a) 49 (b) 49 (c) 49 (d) 49 (e)	Financial Statements: <ul style="list-style-type: none"> <li>Contain such information as required by the Minister;</li> <li>Are prepared in a manner and form approved by the Minister;</li> <li>Present fairly the financial transactions of the university during the relevant financial year to which they relate;</li> <li>Present fairly the financial position of the university as at the end of that year; and</li> <li>Are certified by the accountable officer in the manner approved by the Minister.</li> </ul>	f3–f52
<b>EDUCATION AND TRAINING REFORM ACT 2006 (ETRA)</b>			
61	ETRA, s. 3.2.8	Statement on compulsory non-academic fees, subscriptions and charges payable in 2013	41
<b>DECISION OF PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE OF PARLIAMENT</b>			
62	PAEC	Financial and other information relating to the university's international operations.	26–27 f5–f52
<b>UNIVERSITY COMMERCIAL ACTIVITIES</b>			
63	University Commercial Activity Guidelines	<ul style="list-style-type: none"> <li>Summary of the university commercial activities</li> <li>If the university has a controlled entity, include the accounts of that entity in the university's Annual Report</li> </ul>	f32
<b>TAFE KEY PERFORMANCE INDICATORS (KPIs)</b>			
64	FRD 27B	Reporting and performance should be presented using KPIs and a signed Performance Management Certificate should also be completed. <ol style="list-style-type: none"> <li>Participation of 15–24 year olds.</li> <li>Participation of 25–64 year olds.</li> <li>Module Load Completion Rate.</li> <li>Student satisfaction.</li> <li>Total Cost per Student Contact Hour (SCH).</li> <li>Working Capital Ratio.</li> <li>Net Operating Margin.</li> <li>Fee for Service Revenue.</li> <li>Revenue per EFT Staff.</li> <li>Student Contact Hours (SCH).</li> <li>Energy Consumption.</li> </ol>	42

# Appendix 2

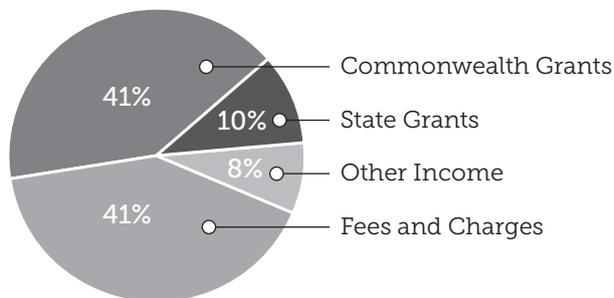
## Financial Summary – Consolidated Results

The University of Ballarat and its controlled entities recorded an operating surplus of \$4.2 million for the year ended 2013. This compared to an operating surplus of \$59.6 million in 2012 with the major variation due to the capital and one off project funding received in 2012 totaling \$40m.

### Income

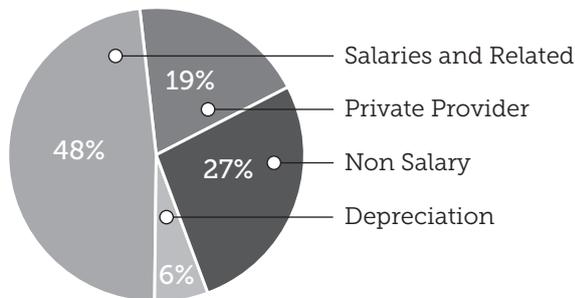
Operating Revenue from continuing operations in 2013 decreased by 13.9% to \$228.9 million. Included in this income is Government and private contributions for specific projects of \$10.04 million (2012 \$35.1 million)

Unspent income received during 2013 but due for completion in future years amounts to \$ 4.05m



### Expenditure

Expenditure increased by 7% to \$221.5 million with payroll costs increasing \$1.5 million or 1.4%, and private provider costs increasing \$3.6 million or 9.4%.



### Assets, Liabilities and Equity

Total Assets decreased by \$19.1 million to \$613.5 million, in the main through actuarial adjustment to the Government debtor relating to unfunded superannuation.

### Statement of Allocation of Funds

The University of Ballarat allocates public funds for the purpose specified by the Government or other public funding body.

### Victorian Industry Participation Policy (VIPP)

The University considers the application of VIPP as part of its procurement process for relevant tenders as defined in the policy. In 2013, the application of VIPP was not considered applicable to tenders.

## Five Year Financial Summary

	2013 \$'000	2012 \$'000	2011 \$'000	2010 \$'000	2009 \$'000
<b>INCOME</b>					
<b>Revenue from Continuing Operations</b>					
Commonwealth Government Grants	60,052	97,759	71,089	78,150	74,662
HELP – Australian Government payments	33,258	27,037	23,808	20,780	19,321
Victorian State Government Grants	24,435	31,665	37,796	28,667	28,445
Other Income	87,699	128,328	106,015	113,102	126,105
<b>Total revenue from continuing operations</b>	<b>205,444</b>	<b>284,789</b>	<b>238,708</b>	<b>240,699</b>	<b>248,533</b>
<b>Expenses from continuing operations</b>	<b>201,247</b>	<b>225,153</b>	<b>195,886</b>	<b>210,356</b>	<b>218,339</b>
<b>Net result for the year</b>	<b>4,197</b>	<b>59,636</b>	<b>42,822</b>	<b>30,343</b>	<b>30,194</b>
<b>BALANCE SHEET</b>					
<b>Current Assets</b>					
Cash and cash equivalents	87,222	119,389	93,876	93,876	83,296
Receivables	17,868	12,687	18,083	18,082	17,149
Other financial assets	100,281	80,257	282	282	272
Other assets	2,714	2,398	3,149	3,149	2,611
<b>Total Current Assets</b>	<b>208,085</b>	<b>214,731</b>	<b>115,390</b>	<b>115,389</b>	<b>103,328</b>
<b>Non-Current Assets</b>					
Receivables	61,970	85,347	67,268	67,268	56,865
Property, plant and equipment	277,093	261,383	218,624	218,624	217,076
Investment Property	62,845	66,070	65,577	65,577	60,545
Other	3,513	5,081	24,167	24,167	14,765
<b>Total Non-Current Assets</b>	<b>405,421</b>	<b>417,881</b>	<b>375,636</b>	<b>375,636</b>	<b>349,251</b>
<b>TOTAL ASSETS</b>	<b>613,506</b>	<b>632,612</b>	<b>491,026</b>	<b>491,025</b>	<b>452,579</b>
<b>Current Liabilities</b>					
Payables	7,182	9,544	9,955	9,955	6,521
Borrowings	595	560	495	495	467
Provisions	24,307	23,459	19,654	19,654	20,676
Other liabilities	9,329	6,744	3,194	3,194	7,274
<b>Total Current Liabilities</b>	<b>41,413</b>	<b>40,307</b>	<b>33,298</b>	<b>33,298</b>	<b>34,938</b>
<b>Non-Current Liabilities</b>					
Borrowings	796	1,390	2,478	2,478	2,973
Provisions	64,525	88,340	69,448	69,448	59,398
<b>Total Non-Current Liabilities</b>	<b>65,321</b>	<b>89,730</b>	<b>71,926</b>	<b>71,926</b>	<b>62,371</b>
<b>TOTAL LIABILITIES</b>	<b>106,734</b>	<b>130,037</b>	<b>105,224</b>	<b>105,224</b>	<b>97,309</b>
<b>NET ASSETS</b>	<b>506,772</b>	<b>502,575</b>	<b>385,802</b>	<b>385,801</b>	<b>355,270</b>
<b>TOTAL EQUITY</b>	<b>506,772</b>	<b>502,575</b>	<b>385,802</b>	<b>385,801</b>	<b>355,270</b>

## Consultancies

In 2013 there were seven consultancies in excess of \$10,000 totalling \$487,052

Consultancy	Amount
Deloitte Access Economics – Labour market supply and demand project	\$164,114
Buro North – Wayfinding strategy	\$87,044
SED Consulting – University master plan	\$66,568
Effective Change Pty Ltd – Regional Schools Outreach Program analysis	\$60,950
Cubed Communications – University rebranding	\$56,600
ASG Group Limited – CRM and Change and Release reviews	\$32,933
Dumais Workplace Services Pty Ltd – Workplace legal investigation	\$18,843

There were 3 consultancies of less than \$10,000 each during 2013. The total value of these was \$26,022.

## Statement on Compulsory non-academic Fees for the Year ending 31 December 2013

	Amount
Carry Forward from 2012	\$556,889
SSAF Income for 2013	\$1,409,292
<b>Total SSAF funds Available for 2013</b>	<b>\$1,966,181</b>
<b>Total Expenditure for 2013</b>	<b>\$1,317,538</b>
Balance available for 2014	\$648,643

During the year the above funds were spent on the following activities:

- Student Experience – Events / Clubs
- Sports and Recreation
- Hotch Potch student magazine
- Student Diary Production
- Orientation
- Improvement to Student Amenities
- Careers and Employment Service
- Student Leadership / Student Senate
- Advisory Service
- Legal Service

## TAFE Key Performance Indicators

No.	TAFE Key Performance Indicator	Definition	2013 TAFE Result	2012 TAFE Result
<b>STRATEGIC ALIGNMENT</b>				
1	Participation of 15 – 24 year olds	No of students within the age group	4,432	5,233
2	Participation of 25 – 64 year olds	No of students within the age group	4,072	5,368
<b>TRAINING OUTCOMES</b>				
3	Module Load Completion rate	Schedules hours assessed and passed or satisfactorily completed / total scheduled hours reported less hours recorded with Credit Transfer and continuing studies outcomes.	87.71%	88.70%
4	Student Satisfaction	Proportion of graduates satisfied with the overall quality of training.	N/A	N/A
<b>FINANCIAL MANAGEMENT</b>				
5	Total Cost per Student Contact Hours (SCH)	Total funded expenditure (excl depreciation) / Total School contact Hours	\$16.30	\$14.72
6	Working Capital Ratio	Current Assets / Current Liabilities (adjusted for non current long service leave)	1.40	3.51
7	Net Operating Margin	Funded Operating Surplus / Total Revenue (excl Capital)	-21.08%	-7.73%
8	Fee For Service Revenue	Fee For Service Revenue / Total Revenue (%)	13.74%	7.92%
<b>ORGANISATIONAL MANAGEMENT</b>				
9	Revenue per EFT Staff	Total Revenue (excl Capital) / Average EFT staff	\$95,383	\$129,009
10	Student Contact Hours	Total no. of student contact hours against contracted delivery	2,289,444	3,090,579
		Government Funded	1,761,367	2,345,190
		Non Government Funded	528,077	745,389
<b>ENVIRONMENT</b>				
11	Building/ Space (m <sup>2</sup> )		45,965	43,708
	Energy Consumption Per Square Meter (Gj)		0.53	0.53
	Electricity (Gj)		10,393	9,762
	Natural Gas (GJ)		9,522	13,241
	Green power		1118	2393

## University of Ballarat (TAFE Division) Performance Statement for 2013

In our opinion, the accompanying Statement of Performance of the University of Ballarat – TAFE Division, in respect of the 2013 financial year, is presented fairly in accordance with the *Financial Management Act 1994*.

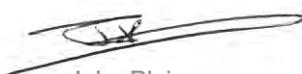
The Statement outlines the performance indicators as determined by the responsible Minister, predetermined targets and actual results for the year against these indicators, and an explanation of any significant variances between the actual and predetermined targets.

As at the date of signing, we are not aware of any material circumstances which would render any particulars in the Statement to be misleading or inaccurate.



David A Battersby  
Vice-Chancellor & President

18 February 2014



John Blair  
Chief Operating Officer – Chief Financial Officer

18 February 2014

## INDEPENDENT AUDITOR'S REPORT

### To the Council Members, University of Ballarat

#### *The Statement of Performance*

The accompanying statement of performance for the year ended 31 December 2013 of the University of Ballarat comprises the statement, the related notes and the Declaration by the Vice Chancellor and Chief Financial Officer has been audited.

#### *The Council Members Responsibility for the Statement of Performance*

The Council Members of the University of Ballarat are responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1994* and for such internal control as the Council Members determine is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the statement of performance based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the statement of performance is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of performance. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the statement of performance, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the statement of performance in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the statement of performance.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

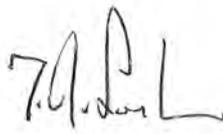
#### *Opinion*

In my opinion, the statement of performance of the the University of Ballarat in respect of the 31 December 2013 financial year presents fairly, in all material respects, and in accordance with the *Financial Management Act 1994*.

#### *Matters Relating to the Electronic Publication of the Audited Performance Statement*

This auditor's report relates to the statement of performance of the the University of Ballarat for the year ended 31 December 2013 included both in the the University of Ballarat's annual report and on the website . The Council Members of the the University of Ballarat are responsible for the integrity of the the University of Ballarat's website. I have not been engaged to report on the integrity of the the University of Ballarat's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the statement of performance are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited statement of performance to confirm the information contained in the website version of the statement of performance.

MELBOURNE  
21 February 2014

  
John Doyle  
Auditor-General

# Financial Statements

## Contents

Declaration by Chancellor, Vice-Chancellor and Chief Financial Officer	<i>f1</i>
Establishment of the University of Ballarat	<i>f2</i>
Statement of Comprehensive Income for the year ended 31 December 2013	<i>f3</i>
Statement of Financial Position as at 31 December 2013	<i>f4</i>
Statement of Cash Flows for the year ended 31 December 2013	<i>f5</i>
Statement of Changes in Equity for the year ended 31 December 2013	<i>f6</i>
Note 1   Summary of Significant Accounting Policies	<i>f7</i>
Note 2   Revenue from Continuing Activities	<i>f13</i>
Note 3   Expenses from Continuing Activities	<i>f16</i>
Note 4   Cash and Cash Equivalents	<i>f17</i>
Note 5   Receivables	<i>f17</i>
Note 6   Inventories	<i>f18</i>
Note 7   Biological Assets	<i>f18</i>
Note 8   Other Financial Assets	<i>f18</i>
Note 9   Non Current Assets Held for Resale	<i>f19</i>
Note 10   Other Assets	<i>f19</i>
Note 11   Non-Current: Property, Plant and Equipment	<i>f19</i>
Note 12   Investment Properties	<i>f21</i>
Note 13   Intangible Assets	<i>f21</i>
Note 14   Payables	<i>f22</i>
Note 15   Borrowings	<i>f22</i>
Note 16   Provisions	<i>f22</i>
Note 17   Other Liabilities	<i>f23</i>
Note 18   Current Tax Liabilities	<i>f23</i>
Note 19   Equity and Movements In Equity	<i>f24</i>
Note 20   Cash Flow Information	<i>f25</i>
Note 21   Leases	<i>f25</i>
Note 22   Commitments for Expenditure	<i>f26</i>
Note 23   Contingent Assets and Liabilities	<i>f26</i>
Note 24   Superannuation	<i>f26</i>
Note 25   Auditors' Remuneration	<i>f28</i>
Note 26   Key Management Personnel Disclosures	<i>f28</i>
Note 27   Disaggregation Information	<i>f31</i>
Note 28   Subsidiaries	<i>f32</i>
Note 29   Financial Instruments	<i>f33</i>
Note 30   Fair Value Measurements	<i>f37</i>
Note 31   Acquittal of Commonwealth Government Financial Assistance	<i>f42</i>
Note 32   Higher Education, TAFE Results	<i>f45</i>
Note 33   Exgratia Payments	<i>f49</i>
Note 34   Events Occurring after the Reporting Date	<i>f49</i>

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## Declaration by Chancellor, Vice-Chancellor and Chief Financial Officer

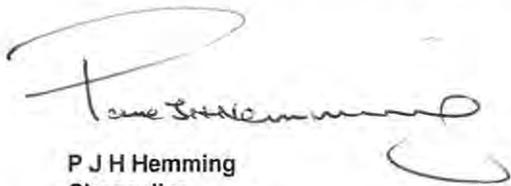
We certify that the attached financial report for the University of Ballarat has been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions issued under that legislation, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the operating statement, statement of financial position, statement of changes in equity, statement of cash flows and notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2013 and financial position of the University as at 31 December 2013.

At the date of signing this financial report, we are not aware of any circumstance that would render any particulars included in the financial report to be misleading or inaccurate. There are reasonable grounds to believe that the University will be able to pay its debts as and when they became due and payable.

Commonwealth Financial assistance expended during the reporting period was expended in accordance with the purposes for which it was provided. TAFE key performance indicators are presented, in accordance with the responsible Minister's requirements.

The Chancellor, Vice Chancellor and Chief Financial Officer sign this declaration as delegates of, and in accordance with a resolution of, the Council of Federation University Australia.



**P J H Hemming**  
Chancellor



**D A Battersby**  
Vice Chancellor



**J Blair**  
Chief Operating Officer - Chief Financial Officer

Mt.Helen

Dated: 18-02-2014

## Establishment of the University of Ballarat

### 'University of Ballarat Act 2010' (the Act)

The University of Ballarat was created by the *University of Ballarat Act 1993*, an Act of the Victorian Parliament, in 1994, out of the Ballarat College of Advanced Education. It was enlarged in 1998, through mergers with the Ballarat School of Mines and the Wimmera Institute of TAFE. Although formally created as a University in 1994, the University of Ballarat has a lineage which takes it back to 1870, making it only the third institution of higher learning to be established in Australia and the first to be established in regional Australia. The Ballarat College of Advanced Education was created out of the tertiary division of the School of Mines while the technical division of the School merged with the new University in 1998.

### Statutory Functions and Objectives of the University

The University of Ballarat is a corporate entity consisting of a Council, academic, teaching and other staff, and enrolled students. The objects of the University are fully defined under section 5 of the Act, and include:

- to provide and maintain a teaching and learning environment of excellent quality offering higher education at an international standard;
- to provide vocational education and training, further education and other forms of education determined by the University to support and complement the provision of higher education by the University;
- to undertake scholarship, pure and applied research, invention, innovation, education and consultancy of international standing and to apply those matters to the advancement of knowledge and to the benefit of the well-being of the Victorian, Australian and international communities;
- to equip graduates of the University to excel in their chosen careers and to contribute to the life of the community;
- to serve the Victorian, Australian and international communities and the public interest;
- to use its expertise and resources to involve Aboriginal and Torres Strait Islander people of Australia in its teaching, learning, research and advancement of knowledge activities and thereby contribute to realising Aboriginal and Torres Strait Islander aspirations and the safeguarding of the ancient and rich Aboriginal and Torres Strait Islander cultural heritage;
- to provide programs and services in a way that reflects principles of equity and social justice;
- to confer degrees and grant diplomas, certificates, licences and other awards;
- to utilise or exploit its expertise and resources, whether commercially or otherwise.

## Organisational Structure of the University

### The Council

Under the provisions of the UB Act, the Council of the University is the governing body of the University and has the general direction and superintendence of the University. The Council is chaired by the Chancellor and has 17 members.

With respect to the appointment of these members of Council the UB Act requires that two must be persons with financial expertise with relevant qualifications and experience in financial management; one must be a person with commercial expertise at a senior level; one must be a person who has substantial knowledge or experience of vocational education and training; two must be persons who live or work in the Ballarat region; one must be a person who lives or works in the Wimmera Region.

The Vice Chancellor is the Chief Executive Officer of the University and has such powers, authorities, duties and functions as prescribed under the UB Act or as delegated by Council.

The Council, by resolution, may constitute and appoint such committees, as it thinks fit. A committee appointed by the Council must report to the Council on its activities at such times and in such manner as the Council directs.

### The Academic Board

The principal academic body of the University is the Academic Board. The board comprises 31 members of whom 18 are Ex-Officio members representing senior academic and teaching staff and members of the senior management team and 9 elected members from teaching staff and students across the University. The purposes of Academic Board are to provide:

- academic oversight of prescribed academic programs and courses of study; and
- advice to the Council on the conduct and content of those programs and courses.

In December 2005, the Board of Technical Studies and the Board of TAFE were disbanded and their responsibilities assumed by the Academic Board or Council as appropriate from January 2006. This represented final actions to bring together the multi-sector academic governance of the University.

## Statement of Comprehensive Income for the year ended 31 December 2013

Income	Notes	Consolidated		University	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Revenue from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants	2.1	60,052	97,759	60 052	97,759
HELP - Australian Government payments	2.1	33,258	27,037	33 258	27,037
FEE-HELP					
VET FEE HELP					
STUDENT ANENITIES - HELP					
State Government financial assistance	2.2	24,435	31,665	24 435	31,665
HECS-HELP - Student payments		2,228	2,340	2 228	2,340
Course fees and charges	2.3	73,337	70,592	73 337	70,592
Other fees and charges	2.3	14,306	14,602	14 306	14,602
Consultancy and contract research	2.4	5,979	5,421	5 979	5,421
Investment revenue	2.5	13,625	15,030	13 625	15,030
Other revenue	2.6	1,651	1,354	1 651	1,354
Profit on disposal of assets	11	18	-	18	-
<b>Total revenue from continuing operations</b>		<b>228,889</b>	<b>265,800</b>	<b>228,889</b>	<b>265,800</b>
Revaluation increment on investment properties	12	-	890	-	890
Remeasurements of defined benefit plans (gain) / loss	24	( 23,445)	18,099	( 23,445)	18,099
<b>Total revenue</b>		<b>205,444</b>	<b>284,789</b>	<b>205,444</b>	<b>284,789</b>
<b>Expenses from continuing operations</b>					
Employee expenses	3.1	109,232	107,711	109 232	107,711
Depreciation and amortisation	3.2	13,260	12,463	13 260	12,463
Repairs and maintenance	3.3	5,368	5,068	5,368	5,068
Bad and doubtful debts	3.4	1,144	( 65)	1,144	( 65)
Other expenses	3.6	50,322	43,257	50,315	43,250
Losses on disposal of assets	11	-	91	-	91
Finance costs		107	148	107	148
Private providers		42,034	38,381	42,034	38,381
<b>Total expenses from continuing operations</b>		<b>221,467</b>	<b>207,054</b>	<b>221,460</b>	<b>207,047</b>
Revaluation decrement on investment properties	12	3,225	-	3,225	-
Remeasurements of defined benefit plans (gain) / loss	5/24	( 23,445)	18,099	( 23,445)	18,099
<b>Total Expenses</b>		<b>201,247</b>	<b>225,153</b>	<b>201,240</b>	<b>225,146</b>
<b>Operating result before income tax for the year</b>		<b>4,197</b>	<b>59,636</b>	<b>4,204</b>	<b>59,643</b>
Income tax expense	3.5	-	( 2)	-	-
<b>Operating result after income tax for the year</b>		<b>4,197</b>	<b>59,638</b>	<b>4,204</b>	<b>59,643</b>
<b>Other Comprehensive Income</b>					
Gain on revaluation	11 & 19	-	14,317	-	14,317
<b>Total Comprehensive Income</b>		<b>4 197</b>	<b>73 955</b>	<b>4 204</b>	<b>73 960</b>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

## Statement of Financial Position as at 31 December 2013

		Consolidated		University	
	Notes	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
<b>Current Assets</b>					
Cash and cash equivalents	4	87,222	119,389	87,206	119,374
Receivables	5	17,868	12,687	17,884	12,696
Inventories	6	104	205	104	205
Biological assets	7	3	3	3	3
Other financial assets	8	100,281	80,257	100,281	80,257
Non-current assets held for sale	9	70	75	70	75
Other assets	10	2,537	2,115	2,536	2,115
<b>Total Current Assets</b>		<b>208,085</b>	<b>214,731</b>	<b>208,084</b>	<b>214,725</b>
<b>Non-Current Assets</b>					
Receivables	5	61,970	85,347	61,970	85,347
Other financial assets	8	558	558	519	519
Property, plant and equipment	11	277,093	261,383	277,093	261,383
Investment properties	12	62,845	66,070	62,845	66,070
Intangible Assets	13	2,955	4,523	2,955	4,523
<b>Total Non-Current Assets</b>		<b>405,421</b>	<b>417,881</b>	<b>405,382</b>	<b>417,842</b>
<b>TOTAL ASSETS</b>		<b>613,506</b>	<b>632,612</b>	<b>613,466</b>	<b>632,567</b>
<b>Current Liabilities</b>					
Payables	14	7,183	9,546	7,181	9,545
Borrowings	15	595	560	595	560
Provisions	16	24,307	23,459	24,307	23,459
Other liabilities	17	9,329	6,744	9,329	6,744
Provision for Income Tax	18	(1)	(2)	-	-
<b>Total Current Liabilities</b>		<b>41,413</b>	<b>40,307</b>	<b>41,412</b>	<b>40,308</b>
<b>Non-Current Liabilities</b>					
Borrowings	15	796	1,390	796	1,390
Provisions	16	64,525	88,340	64,525	88,340
<b>Total Non-Current Liabilities</b>		<b>65,321</b>	<b>89,730</b>	<b>65,321</b>	<b>89,730</b>
<b>TOTAL LIABILITIES</b>		<b>106,734</b>	<b>130,037</b>	<b>106,733</b>	<b>130,038</b>
<b>Net Assets</b>		<b>506,772</b>	<b>502,575</b>	<b>506,733</b>	<b>502,529</b>
<b>EQUITY</b>					
Accumulated Surplus	19	360,461	356,264	360,422	356,218
Reserves	19	146,311	146,311	146,311	146,311
<b>TOTAL EQUITY</b>		<b>506,772</b>	<b>502,575</b>	<b>506,733</b>	<b>502,529</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

## Statement of Cash Flows for the year ended 31 December 2013

	Notes	Consolidated		University	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>					
<b>Receipts</b>					
User fees and charges received		89,324	92,982	89,324	92,982
Investment Income received		12,547	15,416	12,547	15,416
Other receipts		1,651	1,370	1,651	1,370
GST recovered from ATO		11,669	11,361	11,669	11,361
<b>Cash flows from Government</b>					
State Government Grants		18,626	30,525	18,626	30,525
State Government contributions - specific projects	2.7	1,367	2,434	1,367	2,434
Commonwealth Government / Grants		59,768	80,762	59,768	80,762
Commonwealth Government - specific projects	2.7	-	16,981	-	16,981
Higher Education Contribution Scheme:					
Student payments		2,228	2,340	2,228	2,340
HECS-HELP - Commonwealth payments		26,632	23,913	26,632	23,913
STUDENT AMENTTIES - HELP		1,220	637	1,220	637
FEE-HELP - Commonwealth payments		2,953	1,787	2,953	1,787
VET FEE - HELP		2,856	-	2,856	-
OS - HELP ( Net)		4	( 16)	4	( 16)
Superannuation Supplementation (Net)		408	( 311)	408	( 311)
<b>Payments</b>					
Payments to employees		( 108,958)	( 102,739)	( 108,958)	( 102,739)
Payments to suppliers ( Including GST)		( 64,448)	( 57,891)	( 64,425)	( 57,881)
Finance costs		( 107)	( 148)	( 107)	( 148)
Payments to private providers		( 42,034)	( 38,381)	( 42,034)	( 38,381)
Net decrease (increase) in student loans		95	( 143)	95	( 143)
<b>Net cash provided by/(used in) operating activities</b>	20	<u>15,801</u>	<u>80,879</u>	<u>15,824</u>	<u>80,889</u>
<b>Cash Flows from Investing Activities</b>					
Payments for property, plant & equipment		( 27,669)	( 36,561)	( 27,669)	( 36,561)
Proceeds from sale of property, plant and equipment	11	285	341	285	341
Sale/ ( Purchase ) of investments		( 20,024)	( 44,097)	( 20,048)	( 44,097)
Proceeds from sale of Investments					
<b>Net cash provided by (used in) investing activities</b>		<u>( 47,408)</u>	<u>( 80,317)</u>	<u>( 47,432)</u>	<u>( 80,317)</u>
<b>Cash Flows from Financing Activities</b>					
Repayment of interest bearing liabilities		( 560)	( 527)	( 560)	( 527)
<b>Net cash provided for (used in) financing activities</b>		<u>( 560)</u>	<u>( 527)</u>	<u>( 560)</u>	<u>( 527)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u>( 32,167)</u>	<u>35</u>	<u>( 32,168)</u>	<u>45</u>
Cash and cash equivalents at the beginning of the financial year		119,389	119,354	119,374	119,329
<b>Cash and cash equivalents at the end of the financial year</b>	4	<u>87,222</u>	<u>119,389</u>	<u>87,206</u>	<u>119,374</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity for the year ended 31 December 2013

		2013			2012		
	Reserves	Retained	Total	Reserves	Retained	Total	
	\$000's	Surplus	\$000's	\$000's	Surplus	\$000's	
	Note	\$000's	\$000's	\$000's	\$000's	\$000's	
<b>CONSOLIDATED</b>							
<b>Total equity at the beginning of the financial year</b>		146,311	356,264	502,575	131,994	296,626	428,620
Net operating result after income tax for the year			4,197	4,197		59,638	59,638
Increase in Asset Revaluation Reserve		-	-	-	14,317	-	14,317
<b>Total equity at the end of the financial year</b>	<b>19</b>	<u>146,311</u>	<u>360,461</u>	<u>506,772</u>	<u>146,311</u>	<u>356,264</u>	<u>502,575</u>
<b>UNIVERSITY</b>							
<b>Total equity at the beginning of the financial year</b>		146,311	356,218	502,529	131,994	296,575	428,569
Net operating result after income tax for the year		-	4,204	4,204	-	59,643	59,643
Increase in Asset Revaluation Reserve		-	-	-	14,317	-	14,317
<b>Total equity at the end of the financial year</b>	<b>19</b>	<u>146,311</u>	<u>360,422</u>	<u>506,733</u>	<u>146,311</u>	<u>356,218</u>	<u>502,529</u>

The above statement of financial position should be read in conjunction with the accompanying notes.

# Notes

## NOTE 1 | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated.

The financial statements include separate statements for University of Ballarat as the parent entity and the consolidated entity consisting of University of Ballarat and its subsidiaries.

### *Basis of Preparation*

The annual financial statements represent the audited general purpose financial statements of University of Ballarat and its subsidiaries.

They have been prepared on an accrual basis and comply with the Australian Accounting Standards.

Additionally the statements have been prepared in accordance with following statutory requirements:

- *Higher Education Support Act 2003 (Financial Statement Guidelines)*
- *Victorian Financial Management Act 1994*

University of Ballarat is a not-for-profit entity and these statements have been prepared on that basis. Some of the requirements for not-for-profit entities are inconsistent with the IFRS requirements.

### *Date of Authorisation*

The financial statements were authorised for issue by the Council members of Federation University on 18 February 2014

### *Historical cost convention*

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, and certain classes of property, plant and equipment.

All amounts in the financial statements are in Australian currency and have been rounded to the nearest thousand dollars. Unless otherwise stated, the accounting policies are consistent with those of the prior year

### *Fair Value Measurement*

The fair value of assets and liabilities must be measured for recognition and disclosure purposes

The University classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements

The fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets and liabilities at the balance sheet date ( level 1). The quoted market price used for assets held by the University is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of assets or liabilities that are not traded in an active market is determined using valuation techniques. The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments ( level 2) are used for long term debt instruments held. Other techniques that are not based on observable market data ( level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities. The level in the fair value hierarchy is determined on the basis of the lowest level of input that is significant to the fair value measurement in its entirety.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The University considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use

The carrying amount less impairment provisions of trade receivables and payables are considered to approximate their fair value due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the group for similar financial instruments

### *Critical accounting estimates and judgements*

The University evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the University.

## (A) BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of University of Ballarat as at 31 December 2013 and the results of all subsidiaries for the year then ended. A list of the subsidiaries is included in note 28. University of Ballarat and its subsidiaries are referred to in this financial report as the Group or the Consolidated Entity.

Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of impairment of the assets transferred. The accounts of the subsidiaries are prepared for the same reporting period as the University, using consistent accounting policies.

## (B) REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

### (i) *Government grants*

Grants from the government are recognised at their fair value where the Group obtains control of the right to receive the grant, it is probable that economic benefits will flow to the Group and it can be reliably measured.

### (ii) *HELP payments*

Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised and measured in accordance with the above disclosure.

**(iii) Student fees and charges**

Student fees and charges revenue is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, any non-refundable portion of the fees is treated as revenue in the year of receipt and the balance as Revenue in Advance.

**(iv) Revenue from sale of goods**

Revenue from sale of goods is recognised by the University when:

- (a) the significant risks and rewards of ownership of the goods have transferred to the buyer;
- (b) the University retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be reliably measured;
- (d) it is probable that the economic benefits associated with the transaction will flow to the University and;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**(v) Interest Revenue**

Interest revenue is recognised on an accrual basis. Dividend revenue is recognised when received. Donations and bequests are recognised when received by the University.

**(C) FINANCE COSTS**

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs include interest on bank overdraft and short-term and long-term borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and finance lease charges.

**(D) LEASES**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of incentives received from the lessor) are charged to the statement of comprehensive income on a straight line basis over the period of the lease, in the periods in which they are incurred, as this represents the pattern of benefits derived from the leased assets.

**(E) INCOME TAX**

University of Ballarat is exempt from income tax pursuant to Division 50 of the *Income Tax Assessment Act 1997*. University of Ballarat subsidiaries are not exempt from income tax. Income tax expense or benefit for the period is calculated as the tax payable on the current period's taxable income based on the income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses. Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted.

The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities, where the parent entity is able to control the timing of the reversal of the temporary differences, and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity. University of Ballarat and its wholly-owned Australian subsidiaries have not implemented the tax consolidation legislation.

**(G) CASH AND CASH EQUIVALENTS**

For cash flow statement presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

**(H) TRADE RECEIVABLES**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Trade receivables and other debtors are due for settlement no more than 30 days from the date that invoice was issued.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off.

A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The movements of the provision are recognised in the Statement of Comprehensive Income.

**(I) INVENTORIES**

Inventories include goods and other property held for sale. Inventories are measured at the lower of cost and net realisable value.

**(J) BIOLOGICAL ASSETS**

***Bloodstock***

Bloodstock is measured at fair value less estimated point of sale costs.

**(K) INVESTMENTS AND OTHER FINANCIAL ASSETS**

The Group classifies its investments in the following categories: financial assets at fair value through profit or loss, available-for-sale financial assets, loans and receivables, and held-to-maturity investments.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

**(i) Financial assets at fair value through profit or loss**

This category has two sub-categories: financial assets held for trading and those designated at fair value through profit or loss on initial recognition.

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. The policy of management is to designate a financial asset if there exists the possibility it will be sold in the short-term and the asset is subject to frequent changes in fair value.

Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the Statement of Financial Position date.

**(ii) Available-for-sale financial assets**

Available-for-sale financial assets, including unlisted equity securities, are non-derivatives that are either designated in this category or not classified in any other category. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date.

Unlisted equity securities are carried at cost. If the market is not active for unlisted securities, the Group establishes fair value by providing for the temporary diminution in the value of the investment based on the underlying net asset base of the security from the latest available accounts. All changes in provisions for diminution in value are taken through the Statement of Comprehensive Income.

**(iii) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in receivables in the Statement of Financial Position.

**(iv) Held-to-maturity investments**

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity.

Purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest rate method. Realised and unrealised gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the statement of comprehensive income in the period in which they arise. Unrealised gains or losses arising from changes in the fair value of non-monetary securities classified as available-for-sale are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments are included in the statement of comprehensive income as gains or losses from investment securities. The fair values of quoted investments are based on current bid prices. If the market for a financial asset or unlisted security is not active, the Group establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The Group assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the statement of comprehensive income. Impairment losses recognised in the statement of comprehensive income on equity instruments are not reversed through the statement of comprehensive income.

## **(L) PROPERTY, PLANT AND EQUIPMENT**

Land, buildings, artworks are shown at fair value based on periodic, but at five yearly, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. Individual items of plant and equipment with a cost less than \$5,000 (2012: \$5,000) are charged to the Statement of Comprehensive Income (refer Note 2.11). All other property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably. All repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are credited to the asset revaluation reserve in equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit and loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserve directly in equity to the extent of the remaining reserve attributable to the class of asset; all other decreases are charged to the statement of comprehensive income. Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Depreciation is based on the straight line methods and the rates used for each class of depreciable assets are

Class of asset	Rates
Property lease	10%
Buildings	2.0% to 33.33%
Leasehold improvements	3.0% to 33.33%
Plant & equipment	5.0% to 25.0%
Computer equipment	6.67% to 33.33%
Motor vehicles	10.0% to 33.33%
Library collections	12.5% to 20.0%

The assets' residual values and useful lives are reviewed and adjusted if appropriate on an annual basis. There has been no change in the methodology and rates for 2013.

#### (M) INVESTMENT PROPERTIES

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the University. Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the University.

Subsequent to initial recognition at cost, investment properties are re-valued to fair value with changes in the fair value recognised as income or expenses in the period in which they arise. The properties are not depreciated.

Rental income from the leasing of investment properties is recognised in the comprehensive operating statement on a straight-line basis, over the lease term.

#### (N) INTANGIBLE ASSETS

Intangible assets with finite lives are amortised on a straight line basis over the assets useful lives (3-7 years). Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

##### *Impairment of assets*

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

#### (O) TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### (P) BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

#### (Q) PROVISION – EMPLOYEE BENEFITS

Provision is made for benefits accruing to employees in respect of annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably. Provisions made in respect of employee benefits are measured based on their expected settlement. Provisions which are expected to be settled within twelve months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions which are not expected to be settled within twelve months are measured at the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. Regardless of the expected timing of settlement, provisions made in respect of employee benefits are classified as a current liability unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability. Provisions made for annual leave and unconditional long service leave would be classified as a current liability where the employee has a present entitlement to the benefit. A non-current liability would include long service leave entitlements accrued for employees with less than 7 years of continuous service.

#### (R) DEFERRED EMPLOYEE BENEFITS FOR SUPERANNUATION

AASB119 Employee Benefits requires that the estimated present value of superannuation obligations recognised in the financial statements should be determined as at balance date. These financial statements recognise estimated superannuation obligations in respect of the State Superannuation Fund using an actuarial estimate as at 30 June 2013.

As there is no net impact on the Statement of Financial Position or statement of comprehensive income from these superannuation obligations (due to recognition of a corresponding receivable), the costs of providing an actuarial assessment at balance date (31 December 2013) outweigh the benefits. The University has therefore elected not to obtain an estimate of its superannuation obligations as at balance date. Consequently superannuation obligations (and corresponding receivable) are stated in the financial statements based on estimates prepared 6 months in arrears. In accordance with the 1998 instructions issued by the Department of Education, Training and Youth Affairs (DETYA) now known as the Department of Industry Innovation, Science, Research and Tertiary Education (DIISRTE), the effects of the unfunded superannuation liabilities of University of Ballarat were recorded in the statement of comprehensive income and the Statement of Financial Position for the first time in 1998. The prior years' practice had been to disclose liabilities by way of a note to the financial statements. Accordingly, the unfunded liabilities have been recognised in the statement of financial position under provisions, with a corresponding asset recognised under receivables. The recognition of both the asset and the liability consequently does not affect the year-end net asset position of University of Ballarat.

Note 24 discloses specific treatment.

## (S) GOODS AND SERVICES TAX (GST)

Revenues, expenses and assets (excluding receivables) are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority, is included with other receivables or payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Commitments are presented on a gross basis.

## (T) FOREIGN CURRENCY TRANSLATIONS

### *Functional and presentation currency*

The functional currency of each group entity is measured using the currency of the primary economic environment in which that entity operates. The University's financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

### *New and amended accounting policies adopted by the Group*

## (U) FAIR VALUE MEASUREMENT

The University has applied AASB 13: Fair Value Measurements and the relevant consequential amendments arising from the related Amending Standards prospectively from the mandatory application date of 1 January 2013 and in accordance with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors and the specific transitional requirements in AASB 13.

No material adjustments to the carrying amounts of any of the University's assets or liabilities were required as a consequence of applying AASB 13. Nevertheless, AASB 13 requires enhanced disclosures regarding assets and liabilities that are measured at fair value and fair values disclosed in the University's financial statements. These enhanced disclosures are provided in Note 30.

The disclosure requirements in AASB 13 need not be applied by the University in the comparative information provided for periods before initial application of AASB 13 (that is, periods beginning before 1 January 2013). However, as some of the disclosures now required under AASB 13 were previously required under other Australian Accounting Standards, such as AASB 7: Financial Instruments: Disclosures, the University has provided this previously provided information as comparatives in the current reporting period.

### *Transactions and balances*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the income statement in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

## (V) ROUNDING OF AMOUNTS

Amounts in the financial report have been rounded to the nearest thousand dollars.

## (W) COMPARATIVE FIGURES

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

## (X) New Accounting Standards and Interpretations

As at 31 December 2013 the following standards and interpretations (applicable to the University) had been issued but were not mandatory for financial year ending 31 December 2013. The University has not, and does not intend to, adopt these standards early.

Standards Affected	Outline of Amendment	Application date of standard	Impact on financial statements
AASB 139 Financial Instruments: Recognition and Measurement	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2015	Subject to AASB's further modifications to AASB 9, together with the anticipated changes resulting from the staged projects on impairments and hedge accounting, details of impacts will be assessed.
AASB 10 Consolidated Financial Statements	This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors. This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, the entity will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.
AASB 11 Joint Arrangements	This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Subject to AASB's final deliberations and any modifications made to AASB 11 for not-for-profit entities, the entity will need to assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.
AASB 12 Disclosure of Interests in Other Entities	This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures. The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 Investments in Associates and Joint Ventures.
AASB 127 Separate Financial Statements	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1 Jan 2014	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 127 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.
AASB 128 Investments in Associates and Joint Ventures	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.		Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 128 in a not-for-profit context. As such, the impact will be assessed after the AASB's deliberation.

**NOTE 2 | REVENUE FROM CONTINUING ACTIVITIES**

	Notes	Consolidated		University	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>NOTE 2.1 - Australian Government financial assistance including HECS-HELP and other Australian Government loan programmes</b>					
<b>(a) Commonwealth Grants Scheme and Other Grants</b>					
Commonwealth Grants Scheme	31.1	46,987	50,491	46,987	50,491
Indigenous Support Fund	31.1	188	158	188	158
Disability Support Programme	31.1	38	69	38	69
Promotion of Excellence in Learning and Teaching	31.1	85	50	85	50
Transitional Cost Program	31.1	-	12	-	12
Reward Funding	31.1	117	121	117	121
HE Participation Program	31.1	1,379	997	1,379	997
HE Partnership Base Funding	31.1	250	136	250	136
HE Partnership Project Funding	31.1	872	529	872	529
HE Structural Adjustment Fund Program	31.1	4,050	20,770	4,050	20,770
<b>Total Commonwealth Grants Scheme and Other Grants</b>		<b>53,966</b>	<b>73,333</b>	<b>53,966</b>	<b>73,333</b>
<b>(b) Higher Education Loan Programmes</b>					
HECS-HELP	31.2	27,638	23,913	27,638	23,913
FEE-HELP	31.2	2,735	1,787	2,735	1,787
SA - HELP	31.2	1,229	637	1,229	637
VET FEE - HELP	31.2	1,656	700	1,656	700
<b>Total Higher Education Loan Programmes</b>		<b>33,258</b>	<b>27,037</b>	<b>33,258</b>	<b>27,037</b>
<b>(c) Scholarships</b>					
Australian Postgraduate Awards	31.3	791	743	791	743
International Postgraduate Research Scholarships	31.3	66	64	66	64
Commonwealth Education Costs Scholarships	31.3	7	29	7	29
Commonwealth Accommodation Scholarships	31.3	7	-	7	-
Indigenous Access Scholarships	31.3	55	46	55	46
National Accommodation Scholarships	31.3	-	93	-	93
<b>Total Scholarships</b>		<b>926</b>	<b>975</b>	<b>926</b>	<b>975</b>
<b>(d) Education - Research</b>					
Research Training Scheme	31.5	1,853	1,877	1,853	1,877
Research Infrastructure Block Grants	31.5	127	124	127	124
Joint Research Engagement Program	31.5	833	903	833	903
SRE Base & Threshold 1	31.5	221	188	221	188
SRE Threshold 2	31.5	-	-	-	-
<b>Total Education - Research</b>		<b>3,034</b>	<b>3,092</b>	<b>3,034</b>	<b>3,092</b>
<b>(e) Australian Research Council</b>					
Discovery Projects	31.6	177	174	177	174
Linkages Projects	31.6	(15)	376	(15)	376
<b>Total Australian Research Council</b>		<b>162</b>	<b>550</b>	<b>162</b>	<b>550</b>
<b>(f) Other Australian Government financial assistance</b>					
<b>Higher Education</b>					
<b>Non Capital</b>					
National Health & Medical Research Council		604	106	604	106
Other Commonwealth Grants		1,360	2,722	1,360	2,722
<b>Capital</b>					
Science Building		-	7,621	-	7,621
<b>TAFE</b>					
<b>Capital</b>					
MTTC/ UB Tec Building		-	9,360	-	9,360
<b>Total Other Australian Government financial assistance</b>		<b>1,964</b>	<b>19,809</b>	<b>1,964</b>	<b>19,809</b>
<b>Total Australian Government financial assistance</b>		<b>93,310</b>	<b>124,796</b>	<b>93,310</b>	<b>124,796</b>

**NOTE 2 | REVENUE FROM CONTINUING ACTIVITIES continued...**

	Notes	Consolidated		University	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Note 2.1 Reconciliation Accrual basis</b>					
Commonwealth Government grants	31.1	53,966	73,333	53,966	73,333
HECS-HELP - Commonwealth payments	31.2	27,638	23,913	27,638	23,913
FEE-HELP - Commonwealth payments	31.2	2,735	1,787	2,735	1,787
VET Fee Help	31.2	1,656	700	1,656	700
Student Amenities - HELP	31.2	1,229	637	1,229	637
Learning Scholarships	31.3	926	975	926	975
Education Research	31.5	3,034	3,092	3,034	3,092
Australian Research Council	31.6	162	550	162	550
Other Commonwealth Government		1,964	19,809	1,964	19,809
<b>Total Australian Government financial assistance</b>		<b>93,310</b>	<b>124,796</b>	<b>93,310</b>	<b>124,796</b>

**Note 2.1 Reconciliation Cash Basis**

Commonwealth Government grants	31.1	54,522	72,948	54,522	72,948
HECS-HELP - Commonwealth payments	31.2	26,632	23,913	26,632	23,913
FEE-HELP - Commonwealth payments	31.2	2,953	1,787	2,953	1,787
Student Amenities - HELP	31.2	1,220	637	1,220	637
VET Fee Help	31.2	2,856	-	2,856	-
Learning Scholarships	31.3	86	1,344	86	1,344
Education Research	31.5	3,034	3,092	3,034	3,092
ARC grants - Discovery	31.6	177	174	177	174
ARC grants - Linkage	31.6	( 15)	376	( 15)	376
Other Commonwealth Government		1,964	19,809	1,964	19,809
Australian Government Grants Received - Cash Basis		93,429	124,080	93,429	124,080
Superannuation Supplementation	31.7	4,422	4,777	4,422	4,777
OS-HELP - Commonwealth payments	31.7	34	( 1)	34	( 1)
<b>Total Australian Government Funding Received - Cash Basis</b>		<b>97,885</b>	<b>128,856</b>	<b>97,885</b>	<b>128,856</b>

**NOTE 2.2 - STATE AND LOCAL GOVERNMENT FINANCIAL ASSISTANCE**

<b>TAFE</b>					
<b>Non Capital</b>					
TAFE recurrent and competitive grants		14,520	22,942	14,520	22,942
Other state grants		3,925	6,289	3,925	6,289
<b>Capital</b>					
State capital grants		5,990	2,434	5,990	2,434
<b>Total State and Local Government assistance</b>		<b>24,435</b>	<b>31,665</b>	<b>24,435</b>	<b>31,665</b>

**NOTE 2.3 - FEES AND CHARGES**

	Notes				
<b>Course fees and charges</b>					
Continuing Education		194	146	194	146
Fee paying overseas students		60,405	57,959	60,405	57,959
Fee paying overseas students ( Offshore)		2,139	2,144	2,139	2,144
Fee paying domestic postgraduate students		4,755	4,118	4,755	4,118
Fee paying domestic non-award students		155	181	155	181
Other student fees		413	1,642	413	1,642
Fee for service - Government		778	967	778	967
Fee for service - non Government		3,913	3,067	3,913	3,067
Fee for service - International operations		585	368	585	368
		<b>73,337</b>	<b>70,592</b>	<b>73,337</b>	<b>70,592</b>
<b>Other fees and charges</b>					
Rental Residences		5,088	5,068	5,088	5,068
Rental Other		603	796	603	796
Catering and bar		2,602	2,769	2,602	2,769
Sports facilities		457	462	457	462
Parking fees		104	113	104	113
Student Services and Amenities Fees from students		275	494	275	494
Other		5,177	4,900	5,177	4,900
		<b>14,306</b>	<b>14,602</b>	<b>14,306</b>	<b>14,602</b>
		<b>87,643</b>	<b>85,194</b>	<b>87,643</b>	<b>85,194</b>

**NOTE 2 | REVENUE FROM CONTINUING ACTIVITIES continued...**

Notes	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>NOTE 2.4 CONSULTANCY AND CONTRACT RESEARCH</b>				
Consultancy	3,077	1,750	3,077	1,750
Contract research	2,902	3,671	2,902	3,671
	<u>5,979</u>	<u>5,421</u>	<u>5,979</u>	<u>5,421</u>
<b>NOTE 2.5 INVESTMENT REVENUE</b>				
Dividends	2	9	2	9
Interest received	7,713	9,337	7,713	9,337
Rental from Investment Properties	5,886	5,687	5,886	5,687
Total Investment Revenue	<u>13,601</u>	<u>15,033</u>	<u>13,601</u>	<u>15,033</u>
Change in fair value of financial assets through profit & loss	24	(3)	24	(3)
Net Investment Revenue	<u>13,625</u>	<u>15,030</u>	<u>13,625</u>	<u>15,030</u>
<b>NOTE 2.6 OTHER REVENUE</b>				
Donations and bequests	103	128	103	127
Scholarships and prizes	47	26	47	26
Other	1,501	1,200	1,501	1,201
	<u>1,651</u>	<u>1,354</u>	<u>1,651</u>	<u>1,354</u>
<b>NOTE 2.7 GOVERNMENT CONTRIBUTIONS - SPECIFIC PROJECTS</b>				
Figures in notes 2.1 and 2.2 relating to Government contributions - capital are included in the statement of Cash Flows as follows:				
<b>Higher Education</b>				
DEEWR Capital Funding - Science & Engineering Building	-	16,981	-	16,981
<b>Total Higher Education</b>	<u>-</u>	<u>16,981</u>	<u>-</u>	<u>16,981</u>
<b>TAFE</b>				
State capital grants	5,990	2,434	5,990	2,434
<b>Total TAFE</b>	<u>5,990</u>	<u>2,434</u>	<u>5,990</u>	<u>2,434</u>
<b>Total Grants for Specific Projects</b>	<u>5,990</u>	<u>19,415</u>	<u>5,990</u>	<u>19,415</u>

## NOTE 3 | EXPENSES FROM CONTINUING ACTIVITIES

	Notes	Consolidated		University	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>NOTE 3.1 - EMPLOYEE EXPENSES</b>					
<b>Academic</b>					
Salaries		49,129	50,134	49,129	50,134
Contributions to superannuation and pension schemes					
Funded		6,391	6,233	6,391	6,233
Payroll tax		2,683	2,658	2,683	2,658
Work Cover		519	433	519	433
Movement in provisions:					
Annual leave		261	263	261	263
Long service leave		( 142)	706	( 142)	706
Other employee entitlements		81	( 10)	81	( 10)
<b>Total academic</b>		<b>58,922</b>	<b>60,417</b>	<b>58,922</b>	<b>60,417</b>
<b>Non Academic</b>					
Salaries		41,424	37,775	41,424	37,775
Contributions to superannuation and pension schemes					
Emerging cost		-	-	-	-
Funded		5,904	5,495	5,904	5,495
Payroll tax		2,260	2,161	2,260	2,161
Work Cover		443	368	443	368
Movement in provisions:					
Annual leave		106	207	106	207
Long service leave		177	1,119	177	1,119
Other employee entitlements		( 4)	169	( 4)	169
<b>Total non-academic</b>		<b>50,310</b>	<b>47,294</b>	<b>50,310</b>	<b>47,294</b>
<b>Total academic and non academic employee related expenses</b>		<b>109,232</b>	<b>107,711</b>	<b>109,232</b>	<b>107,711</b>
Deferred employee expenses for superannuation		( 23,445)	18,099	( 23,445)	18,099
<b>Total employee expenses</b>		<b>85,787</b>	<b>125,810</b>	<b>85,787</b>	<b>125,810</b>

### NOTE 3.2 - DEPRECIATION AND AMORTISATION

Buildings	11	7,109	6,273	7,109	6,272
Buildings Leasehold	11	119	137	119	138
Plant & Equipment	11	3,234	3,347	3,234	3,347
Motor Vehicles	11	371	334	371	334
Library Collection	11	859	784	859	784
Depreciation Property, Plant and Equipment	11	11,692	10,875	11,692	10,875
Amortisation of Intangible Assets	13	1,568	1,588	1,568	1,588
<b>Total depreciation &amp; amortisation</b>		<b>13,260</b>	<b>12,463</b>	<b>13,260</b>	<b>12,463</b>

### NOTE 3.3 - REPAIRS AND MAINTENANCE

Buildings and grounds - maintenance and repairs		5,051	4,565	5,051	4,565
Plant, Equipment - maintenance and repairs		317	503	317	503
<b>Total repairs and maintenance</b>		<b>5,368</b>	<b>5,068</b>	<b>5,368</b>	<b>5,068</b>

### NOTE 3.4 - BAD AND DOUBTFUL DEBTS

Bad debts written off:					
Students		940	553	940	553
Other		7	82	7	82
		<b>947</b>	<b>635</b>	<b>947</b>	<b>635</b>
Provision for doubtful debts expense:					
Students		-	-	-	-
Other		197	( 700)	197	( 700)
		<b>197</b>	<b>( 700)</b>	<b>197</b>	<b>( 700)</b>
Net movement in doubtful debt provision		<b>1,144</b>	<b>( 65)</b>	<b>1,144</b>	<b>( 65)</b>

### NOTE 3.5 - INCOME TAX

Income tax expense		-	( 2)	-	-
		<b>-</b>	<b>( 2)</b>	<b>-</b>	<b>-</b>

## NOTE 3 | EXPENSES FROM CONTINUING ACTIVITIES continued...

Notes	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>NOTE 3.6 - OTHER EXPENSES</b>				
Scholarships, grants and prizes	4,102	3,785	4,102	3,785
Telecommunications	625	745	625	745
Equipment (below capitalisation threshold)	3,649	4,316	3,649	4,316
Independent Contractors	3,605	3,275	3,605	3,275
Advertising, marketing and promotional expenses	4,780	1,169	4,780	1,169
Audit fees, bank charges, legal costs, insurance and taxes	1,874	1,733	1,874	1,733
Travel, staff development and entitlements	3,527	3,025	3,527	3,027
Cost of sale of goods including ancillary trading	1,517	1,421	1,517	1,421
Subscriptions, library materials & licence fees	3,074	3,055	3,074	3,055
Operating lease & rental expenses	312	361	312	361
Contract and other services	13,293	9,893	13,293	9,887
Printing and photocopying	1,805	2,332	1,805	2,332
Utilities	3,522	2,548	3,522	2,548
Motor vehicle running costs	401	402	401	402
Recruitment costs	199	527	199	527
Work experience scheme	668	583	668	583
Other expenses	3,369	4,087	3,362	4,084
Total other expenses	<u>50,322</u>	<u>43,257</u>	<u>50,315</u>	<u>43,250</u>

The increase in the above 2013 figures in the Advertising & marketing, Contract and other services categories are due in the main to the University incurring \$2.872m of costs associated with the rebranding / name change of the University of Ballarat to Federation University Australia as well as \$1.254m of costs associated with the acquisition of the Monash Gippsland Campus.

## NOTE 4 | CASH AND CASH EQUIVALENTS

Cash at bank and on hand	3,256	4,703	3,240	4,688
Deposits at call	30,046	27,666	30,046	27,666
Short term fixed interest bearing bills, bonds/term deposits	50,000	83,100	50,000	83,100
Short term fixed interest bearing bills, bonds/term deposits with TCW	3,920	3,920	3,920	3,920
Total cash and cash equivalent assets	<u>87,222</u>	<u>119,389</u>	<u>87,206</u>	<u>119,374</u>

The above figures are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows.

Cash at bank and on hand:

These are non interest bearing except for bank accounts which receive standard bank interest rates.

The effective interest rate on short term deposits at call was 2.59% & 4.2% (2012, 3.11% & 6.0%).

These deposits have an average maturity of 55 days. (2012, 37 days).

## NOTE 5 | RECEIVABLES

### Current

Debtors	11,124	4,187	11,140	4,196
Provision for impaired receivables	(1,611)	(1,414)	(1,611)	(1,414)
Revenue receivable	2,510	3,683	2,510	3,683
GST receivable from ATO	635	859	635	859
Student loans	563	657	563	657
	<u>13,221</u>	<u>7,972</u>	<u>13,237</u>	<u>7,981</u>
Deferred government contributions for superannuation	4,647	4,715	4,647	4,715
	<u>17,868</u>	<u>12,687</u>	<u>17,884</u>	<u>12,696</u>

### Non-current

Student loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred government contributions for superannuation	61,970	85,347	61,970	85,347
	<u>61,970</u>	<u>85,347</u>	<u>61,970</u>	<u>85,347</u>
Total Receivables	<u>79,838</u>	<u>98,034</u>	<u>79,854</u>	<u>98,043</u>

### Movement in Impaired Receivables

3.4

Balance at 1 January	(1,414)	(2,114)	(1,414)	(2,114)
less amounts written off as bad debts during the year	947	635	947	635
plus provision for the year	(1,144)	65	(1,144)	65
Balance at 31 December	<u>(1,611)</u>	<u>(1,414)</u>	<u>(1,611)</u>	<u>(1,414)</u>

## NOTE 5 | RECEIVABLES continued...

	Consolidated		University	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

### Notes

The creation and release of the provision for impaired receivables has been included in 'bad and doubtful debts' in the Statement of Comprehensive Income. Amounts charged to the provision account are generally written off when there is no expectation of recovering additional cash.

The other amounts within receivables do not contain impaired assets and are not past due. Based on credit history, it is expected that these amounts will be received when due.

#### Impaired receivables

As of December 2013, trade receivables of \$4.76m (2012, \$0.384m) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

3 to 6 months	4,623	132	4,623	132
Over 6 months	137	252	137	252
	<u>4,760</u>	<u>384</u>	<u>4,760</u>	<u>384</u>

## NOTE 6 | INVENTORIES

#### Current

Business activities supplies	104	205	104	205
	<u>104</u>	<u>205</u>	<u>104</u>	<u>205</u>

## NOTE 7 | BIOLOGICAL ASSETS

#### Current

Sheep	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
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Number of animals - Sheep	42	45	42	45
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Reconciliation of the carrying amounts for each class of biological asset between the beginning of the year and end of the current financial year.

#### Sheep:

Carrying amount at start of year	3	11	3	11
Increases due to:				
plus natural increases - births	2	-	2	-
Decreases attributable to:				
Changes in fair Value	-	1	-	1
Sales	(2)	(9)	(2)	(9)
Carrying amount at end of year.	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

## NOTE 8 | OTHER FINANCIAL ASSETS

#### Current

##### Available for sale financial assets

Shares - listed, at fair value	26	22	26	22
Other investments - at fair value	255	235	255	235

##### Financial assets held to maturity

Bank Term Deposits	100,000	80,000	100,000	80,000
<b>Total current other financial assets</b>	<u>100,281</u>	<u>80,257</u>	<u>100,281</u>	<u>80,257</u>

##### Available for sale financial assets

Shares - Unlisted, at cost	558	558	519	519
<b>Total available for sale financial assets</b>	<u>558</u>	<u>558</u>	<u>519</u>	<u>519</u>

##### Total non-current financial assets

	<u>558</u>	<u>558</u>	<u>519</u>	<u>519</u>
Market value of investments listed on stock exchange	29	281	257	281

Available for sale financial assets comprise investments in the ordinary share capital of various entities. There are no fixed returns or fixed maturity dates attached to these investments.

The effective interest rate on short term deposits was 3.83% & 4.98% (2012, 4.31% & 4.65%).

These deposits have an average maturity of 148 days. (2012, 179 days)

#### Impairment and risk exposure

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets

Notes	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>NOTE 9   NON CURRENT ASSETS HELD FOR RESALE</b>				
Land held for resale	70	75	70	75
	<u>70</u>	<u>75</u>	<u>70</u>	<u>75</u>
<b>NOTE 10   OTHER ASSETS</b>				
<b>Current</b>				
Prepayments	2,537	2,115	2,536	2,115
	<u>2,537</u>	<u>2,115</u>	<u>2,536</u>	<u>2,115</u>
<b>NOTE 11   NON-CURRENT: PROPERTY, PLANT AND EQUIPMENT</b>				
<b>LAND</b>				
At independent valuation 2012	41,915	41,915	41,915	41,915
	<u>41,915</u>	<u>41,915</u>	<u>41,915</u>	<u>41,915</u>
<b>BUILDINGS</b>				
At independent valuation 2012	146,653	146,653	146,653	146,653
At fair value	45,085	-	45,085	-
Accumulated depreciation	(7,109)	-	(7,109)	-
	<u>184,629</u>	<u>146,653</u>	<u>184,629</u>	<u>146,653</u>
<b>CONSTRUCTION IN PROGRESS</b>				
Construction in progress	25,536	48,366	25,536	48,366
	<u>25,536</u>	<u>48,366</u>	<u>25,536</u>	<u>48,366</u>
<b>LEASE of LAND</b>				
At Valuation	545	545	545	545
	<u>545</u>	<u>545</u>	<u>545</u>	<u>545</u>
<b>LEASEHOLD IMPROVEMENTS</b>				
At fair value	2,165	2,165	2,165	2,165
Accumulated amortisation	(119)	-	(119)	-
	<u>2,046</u>	<u>2,165</u>	<u>2,046</u>	<u>2,165</u>
<b>EQUIPMENT AND FURNITURE</b>				
At fair value	41,288	37,857	41,288	37,857
Accumulated depreciation	(26,151)	(23,213)	(26,151)	(23,213)
	<u>15,137</u>	<u>14,644</u>	<u>15,137</u>	<u>14,644</u>
<b>MOTOR VEHICLES</b>				
At fair value	3,271	3,141	3,271	3,141
Accumulated depreciation	(1,213)	(1,061)	(1,213)	(1,061)
	<u>2,058</u>	<u>2,080</u>	<u>2,058</u>	<u>2,080</u>
<b>LIBRARY HOLDINGS</b>				
At fair value	12,950	11,880	12,950	11,880
Accumulated depreciation	(9,000)	(8,142)	(9,000)	(8,142)
	<u>3,950</u>	<u>3,738</u>	<u>3,950</u>	<u>3,738</u>
<b>ART COLLECTION</b>				
At independent valuation 2010	1,277	1,277	1,277	1,277
	<u>1,277</u>	<u>1,277</u>	<u>1,277</u>	<u>1,277</u>
<b>Net Book amount</b>	<u>277,093</u>	<u>261,383</u>	<u>277,093</u>	<u>261,383</u>

## NOTE 11 | NON-CURRENT: PROPERTY, PLANT AND EQUIPMENT continued...

### MOVEMENTS IN CARRYING AMOUNTS

	Balance at beginning of year	Additions	Disposals	Depreciation expense	Impairment / adjustment & transfers	Revaluation	Carrying amount at end of year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2013</b>							
<b>Consolidated &amp; University</b>							
Land	41,915	-	-	-	-	-	41,915
Buildings	146,653	1,015	-	(7,109)	44,070	-	184,629
Construction in progress	48,366	21,240	-	-	(44,070)	-	25,536
Leasehold improvements	2,165	-	-	(119)	-	-	2,046
Lease of Land	545	-	-	-	-	-	545
Equipment and furniture	14,644	3,727	-	(3,234)	-	-	15,137
Motor vehicles	2,080	616	(267)	(371)	-	-	2,058
Library holdings	3,738	1,071	-	(859)	-	-	3,950
Artworks	1,277	-	-	-	-	-	1,277
	<u>261,383</u>	<u>27,669</u>	<u>(267)</u>	<u>(11,692)</u>	<u>-</u>	<u>-</u>	<u>277,093</u>

	Balance at beginning of year	Additions	Disposals	Depreciation expense	Impairment / adjustment & transfers	Revaluation	Carrying amount at end of year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>							
<b>Consolidated &amp; University</b>							
Land	34,811	-	-	-	(75)	7 179	41,915
Buildings	142,702	-	-	(6,272)	2,727	7 496	146,653
Construction in progress	17,694	34,083	-	-	(3,411)	-	48,366
Leasehold improvements	2,915	-	-	(138)	1	(613)	2,165
Lease of Land	290	-	-	-	-	255	545
Equipment and furniture	17,534	472	-	(3,347)	(15)	-	14,644
Motor vehicles	2,054	778	(432)	(334)	14	-	2,080
Library holdings	3,209	1,227	-	(784)	86	-	3,738
Artworks	1,276	1	-	-	-	-	1,277
	<u>222,485</u>	<u>36,561</u>	<u>(432)</u>	<u>(10,875)</u>	<u>(673)</u>	<u>14,317</u>	<u>261,383</u>

### Valuation

Refer to Note 30 for detailed disclosures regarding the fair value measurement of the University's property, plant and equipment.

### Property owned by the Crown

The University is carrying property in its accounts where the title to the property is in the name of the Minister for Education and Training. As at 31 December 2013, the value of land and buildings at written down value in the University's books attributed to the Crown amounts to \$43.78 m.

### CONSOLIDATED AND UNIVERSITY

	2013 \$'000	2012 \$'000
<b>Profit and/or loss on Sale of Non Current Assets</b>		
Proceeds on sale of property, plant & equipment	285	341
Less written down value	<u>267</u>	<u>432</u>
Net Profit/(Loss) on disposal	<u>18</u>	<u>(91)</u>

	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>NOTE 12   INVESTMENT PROPERTIES</b>				
Notes				
<b>At Fair value opening balance at 1 January</b>	66,070	65,180	66,070	65,180
Additions	-	-	-	-
Transfer between asset categories	-	-	-	-
Revaluation increment / (decrement)	(3,225)	890	(3,225)	890
<b>Closing Balance at 31 December</b>	<b>62,845</b>	<b>66,070</b>	<b>62,845</b>	<b>66,070</b>

**Amounts recognised in Statement of Comprehensive Income for investment properties**

Rental Income	5,886	5,687	5,886	5,687
Movement in fair value of investment properties	(3,225)	890	(3,225)	890
<b>Total Income</b>	<b>2,661</b>	<b>6,577</b>	<b>2,661</b>	<b>6,577</b>
Direct Operating Expenses	(1,239)	(922)	(1,239)	(922)
<b>Total Recognised in profit and loss</b>	<b>1,422</b>	<b>5,655</b>	<b>1,422</b>	<b>5,655</b>

**LEASED ASSETS**

As at the reporting date the following properties were recognised as investment properties

IBM Gear Avenue	15,050	16,560	15,050	16,560
New IBM	8,930	8,420	8,930	8,420
Greenhill Enterprise Centre	5,910	6,270	5,910	6,270
State Revenue Office	8,130	8,270	8,130	8,270
Global Innovation Centre	3,800	3,710	3,800	3,710
Rural Ambulance Victoria	5,710	6,920	5,710	6,920
Advanced Display Technology	1,770	1,580	1,770	1,580
Emergency Services Telecommunication Authority	7,630	8,060	7,630	8,060
Vacant Land	5,915	6,280	5,915	6,280
<b>Carrying amount of investment properties</b>	<b>62,845</b>	<b>66,070</b>	<b>62,845</b>	<b>66,070</b>

**Operating Lease Receivables**

Amounts due				
- one year or less	5,345	6,516	5,345	6,516
- two to five years	20,954	20,509	20,954	20,509
- over five years	7,762	4,665	7,762	4,665
	<b>34,061</b>	<b>31,690</b>	<b>34,061</b>	<b>31,690</b>

Refer to Note 30 for detailed disclosures regarding the fair value measurement of the University's investment properties.

**NOTE 13 | INTANGIBLE ASSETS**

**CONSOLIDATED AND UNIVERSITY**

**Year ended 31 December 2012**

	Software Development	Work in Progress	Total Net value
Opening net book amount 1 January 2012	6,111	104	6,215
Additions	-	(104)	(104)
Amortisation charge	(1,588)	-	(1,588)
<b>Closing net book amount 31 December 2012</b>	<b>4,523</b>	<b>-</b>	<b>4,523</b>

**CONSOLIDATED**

**Year ended December 2013**

	Software Development	Work in Progress	Total Net value
Opening net book amount 1 December 2013	4,523	-	4,523
Written off	-	-	-
Amortisation charge	(1,568)	-	(1,568)
<b>Closing net book amount December 2013</b>	<b>2,955</b>	<b>-</b>	<b>2,955</b>

Notes	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000

## NOTE 14 | PAYABLES

### Current

Creditors and non salary accruals	6,393	8,815	6,391	8,814
Accrued salaries, wages and costs	784	732	784	732
OS-Help Liability to Australian Government	6	(1)	6	(1)
	<u>7,183</u>	<u>9,546</u>	<u>7,181</u>	<u>9,545</u>

### Foreign currency risk

The carrying amounts of the group and parent entity's trade and other payables are denominated in Australian dollars.

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to 29.4 Financial Instruments - Summarised Sensitivity Analysis.

## NOTE 15 | BORROWINGS

### CURRENT

#### Unsecured

Bills payable - National Australia Bank	595	560	595	560
	<u>595</u>	<u>560</u>	<u>595</u>	<u>560</u>

### NON CURRENT

#### Unsecured

Bills payable - National Australia Bank	796	1,390	796	1,390
	<u>796</u>	<u>1,390</u>	<u>796</u>	<u>1,390</u>

## Financing Arrangements

### Credit standby arrangements

#### Total facilities

Bank overdrafts	150	150	150	150
Other - credit card facilities	3,000	3,000	3,000	3,000
Bank Guarantee	10	-	10	-

#### Used at reporting date

Bank overdrafts	150	150	150	150
Other - credit card facilities	331	276	331	276

#### Unused at reporting date

Bank overdrafts	-	-	-	150
Other - credit card facilities	2,669	2,724	2,669	2,724
Bank Guarantee	10	-	10	-

## NOTE 16 | PROVISIONS

### Current provisions expected to be settled wholly within 12 months

Annual leave	4,023	3,912	4,023	3,912
Long service leave	12,091	11,618	12,091	11,618
Deferred benefits for superannuation	4,647	4,715	4,647	4,715
Other employee benefits	292	216	292	216
	<u>21,053</u>	<u>20,461</u>	<u>21,053</u>	<u>20,461</u>

### Current Provisions expected to be settled after more than 12 months

Annual Leave	3,254	2,998	3,254	2,998
	<u>3,254</u>	<u>2,998</u>	<u>3,254</u>	<u>2,998</u>

### Total Current Provisions

	<u>24,307</u>	<u>23,459</u>	<u>24,307</u>	<u>23,459</u>
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### Non-current

Long service leave	2,555	2,993	2,555	2,993
Deferred benefits for superannuation	61,970	85,347	61,970	85,347
	<u>64,525</u>	<u>88,340</u>	<u>64,525</u>	<u>88,340</u>
	<u>88,832</u>	<u>111,799</u>	<u>88,832</u>	<u>111,799</u>

**NOTE 16 | PROVISIONS continued...**

	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Notes</b>				
<b>Classification of employee benefits as current or non-current</b>				
<b>Current</b>				
All annual leave and long service leave entitlements, representing a minimum of 7 years continuous service :				
Short term employee benefits that fall within 12 months after the end of the period, measured at nominal value.	16,114	15,530	16 114	15 530
Current annual leave provision expected to be settled after more than 12 months, measured at present value.	3,254	2,998	3 254	2 998
	<u>19,368</u>	<u>18,528</u>	<u>19,368</u>	<u>18,528</u>
<b>Non-current</b>				
Long service leave representing less than 7 years of continuous service measured at present value.				
	<u>2,555</u>	<u>2,993</u>	<u>2,555</u>	<u>2,993</u>
<b>Movement in provisions: Consolidated and University</b>				
<b>Annual leave:</b>				
Carrying amount at start of year	6,910	6,441	6,910	6,441
Additional provisions recognised/ (amounts used)	111	469	111	469
Carrying amount at end of year	<u>7,021</u>	<u>6,910</u>	<u>7,021</u>	<u>6,910</u>
<b>Long service leave:</b>				
Carrying amount at start of year	14,611	12,786	14,611	12,786
Additional provisions recognised/ (amounts used)	35	1,825	35	1,825
Carrying amount at end of year	<u>14,646</u>	<u>14,611</u>	<u>14,646</u>	<u>14,611</u>
<b>Other employee benefits:</b>				
Carrying amount at start of year	216	57	216	57
Additional provisions recognised/ (amounts used)	76	159	76	159
Carrying amount at end of year	<u>292</u>	<u>216</u>	<u>292</u>	<u>216</u>
<b>Deferred benefits for superannuation</b>				
Carrying amount at start of year	90,062	71,963	90,062	71,963
Movement in actuarial valuation	( 23,445)	18,099	( 23,445)	18,099
Carrying amount at end of year	<u>66,617</u>	<u>90,062</u>	<u>66,617</u>	<u>90,062</u>
Total Entitlements	<u>88,576</u>	<u>111,799</u>	<u>88,576</u>	<u>111,799</u>

**NOTE 17 | OTHER LIABILITIES**

Funds received in advance	9,329	6,744	9,329	6,744
	<u>9,329</u>	<u>6,744</u>	<u>9,329</u>	<u>6,744</u>

**NOTE 18 | CURRENT TAX LIABILITIES**

Income Tax	( 1)	( 2)	-	-
	<u>( 1)</u>	<u>( 2)</u>	<u>-</u>	<u>-</u>

Notes	Consolidated		University	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

## NOTE 19 | EQUITY AND MOVEMENTS IN EQUITY

### Composition of Reserves

Asset Revaluation Reserve	146,311	146,311	146,311	146,311
<b>Total Reserves</b>	<b>146,311</b>	<b>146,311</b>	<b>146,311</b>	<b>146,311</b>

### Asset Revaluation Reserve

Land	38,062	38,062	38,062	38,062
Buildings	107,275	107,275	107,275	107,275
Works of art	974	974	974	974
	<b>146,311</b>	<b>146,311</b>	<b>146,311</b>	<b>146,311</b>

Balance at beginning of year	Revaluation Increment	Carrying amount at end of year
------------------------------	-----------------------	--------------------------------

### Movement in Carrying Amounts

#### Consolidated

Asset Revaluation Reserve			
Land	38,062	-	38,062
Buildings	107,275	-	107,275
Works of art	974	-	974
	<b>146,311</b>	<b>-</b>	<b>146,311</b>

#### University

Asset Revaluation Reserve			
Land	38,062	-	38,062
Buildings	107,275	-	107,275
Works of art	974	-	974
	<b>146,311</b>	<b>-</b>	<b>146,311</b>

	Consolidated		University	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

### Movement in Accumulated Surplus

Balance 1 January	356,264	296,626	356,218	296,575
Net operating surplus for the reporting period	4,197	59,638	4,204	59,643
Transfer of reserve	-	-	-	-
<b>Balance 31 December</b>	<b>360,461</b>	<b>356,264</b>	<b>360,422</b>	<b>356,218</b>

### Reconciliation to Statement of Changes in Equity:

Asset Revaluation Reserve	146,311	146,311	146,311	146,311
Accumulated Surplus	360,461	356,264	360,422	356,218
<b>Total Equity at the end of the financial year</b>	<b>506,772</b>	<b>502,575</b>	<b>506,733</b>	<b>502,529</b>

	Consolidated		University	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>NOTE 20   CASH FLOW INFORMATION</b>				
<b>a) Reconciliation of operating result to net cash provided by/(used in) operating activities</b>				
<b>Net operating result for the year</b>	4,197	59,638	4,204	59,643
<b>Non-cash flows in operating result</b>				
Depreciation and amortisation of non-current assets	13,260	12,463	13,260	12,463
Movement in doubtful debts provision	197	(700)	197	(700)
Other non Cash Items				
Expense of previously capitalised assets	-	621	-	621
(Gain)/ loss on revaluation of Investment Properties	3,225	(890)	3,225	(890)
Net (profit)/loss on sale of non-current assets	(18)	91	(18)	91
Net gain/(loss) on investments	24	(3)	24	(3)
<b>Decrease/(increase) in:</b>				
<b>Current assets</b>				
Decrease / ( Increase) in Trade Receivables	(5,540)	1,712	(5,547)	1,713
Decrease / ( Increase) in Inventories	101	26	101	26
Decrease / ( Increase) in Biological assets	-	8	-	8
Decrease / (increase) in Other assets	(328)	182	(327)	182
<b>Current Liabilities</b>				
Increase/ (Decrease) in Payables	(2,363)	4,087	(2,364)	4,085
Increase/ (Decrease) in Employee entitlements	222	2,453	222	2,453
Increase / ( Decrease) in Other liabilities	2,823	1,197	2,847	1,197
Increase / ( Decrease) in Provision for income tax	1	(6)	-	-
<b>Net cash provided by operating activities</b>	<b>15,801</b>	<b>80,879</b>	<b>15,824</b>	<b>80,889</b>

**b) Non-cash financing and investing activities**

There is no acquisition of plant and equipment by means of finance leases.

**c) Credit standby arrangements with banks**

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**NOTE 21 | LEASES**

**LEASE COMMITMENTS**

**Notes**

**Operating Lease Commitment**

Payments due				
- one year or less	642	667	642	667
- one to five years	999	986	999	986
- over five years	13	12	13	12
	<b>1,654</b>	<b>1,665</b>	<b>1,654</b>	<b>1,665</b>

**LEASED ASSETS**

As at the reporting date the University leased out the following assets:

Albert Coates Building ( part)	128	128	128	128
Camp Street	1 692	1,692	1,692	1,692
Horsham Cafeteria	158	158	158	158
ESTA Building	7 630	8,060	7,630	8,060
Global Innovation Centre	3 800	3,710	3,800	3,710
Greenhill Enterprise Centre	5 910	6,270	5,910	6,270
Advanced Display Technology Building	1 770	1,580	1,770	1,580
IBM Centre	15 050	16,560	15,050	16,560
IBM Internet Laboratory Building	8 930	8,420	8,930	8,420
IBM Regional Software Centre	-	3,123	-	3,123
Rural Ambulance Victoria Building	5 710	6,920	5,710	6,920
State Library of Victoria (Land only)	126	126	126	126
State Revenue Office Building	8 130	8,270	8,130	8,270
Student Residences	35 424	35,424	35,424	35,424
Carrying amount of leased assets	<b>94,458</b>	<b>100,441</b>	<b>94,458</b>	<b>100,441</b>

**Operating Lease Receivables**

Amounts due				
- one year or less	10,408	12,252	10,408	12,252
- one to five years	45,586	47,516	45,586	47,516
- over five years	13,557	11,034	13,557	11,034
	<b>69,551</b>	<b>70,802</b>	<b>69,551</b>	<b>70,802</b>

Notes	Consolidated		University	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000

## NOTE 22 | COMMITMENTS FOR EXPENDITURE

### Capital Commitments

As at the reporting date the University had the following outstanding Capital Commitments:

Building projects	584	21,501	584	21,501
	<u>584</u>	<u>21,501</u>	<u>584</u>	<u>21,501</u>

Outstanding Capital Commitments are payable as follows

Payments Due:

- not later than one year

	584	21,501	584	21,501
	<u>584</u>	<u>21,501</u>	<u>584</u>	<u>21,501</u>

## NOTE 23 | CONTINGENT ASSETS AND LIABILITIES

**Contingent Assets:** There are no contingent assets or liabilities.

## NOTE 24 | SUPERANNUATION

The University contributes to both defined benefit and defined contribution plans. Contributions are included as part of employee benefits in the Operating Statement. The name and details of the major superannuation funds and contributions made by the University are as follows:

### Government Superannuation Office

SERB Scheme	14	14	14	14
Revised Scheme	71	114	71	114
New Scheme	166	174	166	174

### Victorian Superannuation Fund

Vic Super Scheme	1,195	1,337	1,195	1,337
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### Other Superannuation Schemes

Unisuper - Superannuation Scheme for Australian Universities	8,829	8,235	8,829	8,235
Unisuper - Tertiary Education Superannuation Scheme	1,753	1,591	1,753	1,591
Other Superannuation Schemes	267	264	267	264

### Total Contributions to all Funds

	<u>12,295</u>	<u>11,729</u>	<u>12,295</u>	<u>11,729</u>
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### Outstanding contributions

	<u>72</u>	<u>576</u>	<u>72</u>	<u>576</u>
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As at the reporting date there were no loans to the University from any fund.

## NOTE 24 | SUPERANNUATION continued...

The following figures were used to disclose liabilities and movements in liabilities for the dates nominated

Date	Estimated liability \$ million	Movement \$ million
31/12/2012	90.062	18.099
31/12/2013	66.170	(23.445)

### UniSuper Defined Benefit Ltd.

The UniSuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the UniSuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119.

The UniSuper Trust Deed was amended in December 2006 to classify the plan as a defined contribution plan under Australian Accounting Standard AASB119 Employee Benefits. The plan receives fixed contributions from the University, whereby the University's legal or constructive obligation is limited to these contributions.

### Financial Position

As at 30 June 2013, the assets of the DBD in aggregate were estimated to be \$691 million in deficiency of vested benefits (\$770 million after allowing for various reserves). The vested benefits are benefits which are not conditional upon continued membership (or any factor other than leaving the service of the participating institution) and include the value of indexed pensions being provided by the DBD.

As at 30 June 2013 the assets of the DBD in aggregate were estimated to be \$861 million above accrued benefits (\$782 million after allowing for various reserves). The accrued benefits have been calculated as the present value of expected future benefit payments to members and indexed pensioners which arise from membership of UniSuper up to the reporting date.

The vested benefit and accrued benefit liabilities were determined by the Fund's actuary, Russell Employee Benefits, using the actuarial demographic assumptions outlined in their report dated 14 November 2013 on the actuarial investigation of the DBD as at 30 June 2013. The financial assumptions used were:

	Vested Benefits Per Annum	Accrued Benefits Per Annum
Gross of tax investment return - DBD pensions	6.10%	7.80%
Gross of tax investment return - commercial rate indexed pensions	3.70%	3.70%
Net of tax investment return - non pensioner members	5.50%	7.00%
Consumer Price Index	2.75%	2.75%
Inflationary salary increases long term	3.75%	3.75%

Assets have been included at their market value, i.e. allowing for realisation costs.

Clause 34 was initiated following the 31 December 2008, 30 June 2011 and 30 June 2012 actuarial investigations and it has again been initiated following the 30 June 2013 actuarial investigation.

Following the end of the monitoring period commenced in relation to the 31 December 2008 actuarial investigation, the UniSuper Limited Board made a decision not to reduce accrued benefits but to reduce the rate at which benefits accrue in respect of the DBD membership after 1 January 2015.

Notes	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Victorian Auditor General's Office				
Audit and review of the Financial Statements	85	85	85	85
Other audit fees				
Internal Audit	190	169	190	169
Fees paid to other audit firms for the audit or review of miscellaneous financial reports	16	14	16	14
	<u>291</u>	<u>268</u>	<u>291</u>	<u>268</u>
Other audit services relate to Miscellaneous				

## NOTE 26 | KEY MANAGEMENT PERSONNEL DISCLOSURES

### RESPONSIBLE PERSONS

#### Responsible persons related disclosures

In accordance with the directions of the Minister for Finance under the Financial Management Act 1994, the following disclosures are made for the responsible Ministers and responsible Members of Council.

#### (i) Minister

The relevant Minister is the Hon. Peter Hall, MLC, Minister for Higher Education and Skills. Remuneration of the Minister is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members interests which is completed by each member of Parliament.

#### (ii) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of University of Ballarat during the year.

The Hon. Peter Hall, MLC Minister for Higher Education and Skills 1/1/2013 - 31/12/2013

#### Council members during 2013 were:

Dr Paul John Harry Hemming (Chancellor)	1/1/2013 - 31/12/2013
Professor David Arthur Battersby (Vice Chancellor)	1/1/2013 - 31/12/2013
Ms Karen Suzanne Douglas	1/1/2013 - 31/12/2013
Dr Meredith Doig	1/1/2013 - 31/12/2013
Mr George Fong	1/1/2013 - 31/12/2013
Dr Kim Dowling	1/1/2013 - 31/12/2013
Ms Mashelle Parrett	1/1/2013 - 31/12/2013
Mr Michael Ryan	1/1/2013 - 31/12/2013
Mr Warwick Spargo	1/1/2013 - 31/12/2013
Ms Deborah Spring	1/1/2013 - 31/12/2013
Mr Anthony Stone	1/7/2013 - 31/12/2013
Mr Peter Russell Wilson	1/1/2013 - 31/12/2013
Mr Steve Davies (Ministerial Appointee)	1/7/2013 - 31/12/2013

#### (iii) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of University of Ballarat during the financial year:

Ms Rowena Coutts	(Senior Deputy Vice Chancellor)
Professor Andy Smith	(Deputy Vice Chancellor, Schools and Programs)
Professor Frank Stagnetti	(Deputy Vice Chancellor, Research)
Professor Todd Walker	(Deputy Vice Chancellor, Learning & Quality)
Mr Darren Holland	(Deputy Vice Chancellor, Student Support and Services)

All of the above persons were also key management persons during the year ended 31/12/2013

## NOTE 26 | KEY MANAGEMENT PERSONNEL DISCLOSURES continued...

### Remuneration of responsible persons

The numbers of responsible persons, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of responsible persons is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of full-time equivalent responsible persons over the reporting period.

Income Band	Consolidated			
	Total Remuneration		Base Remuneration	
	2013	2012	2013	2012
Less than \$10,000	6	8	6	8
\$10,000 to \$19,999	4	3	4	3
\$20,000 to \$29,999	-	2	-	2
\$30,000 to \$39,999	-	1	-	1
\$40,000 to \$49,999	1	-	1	-
\$80,000 to \$89,999	-	-	-	1
\$100,000 to \$109,999	-	1	-	-
\$130,000 to \$139,999	-	-	-	1
\$140,000 to \$149,999	1	-	1	-
\$150,000 to \$159,999	-	1	-	-
\$170,000 to \$179,999	-	-	-	1
\$210,000 to \$219,999	-	-	-	1
\$230,000 to \$239,999	-	-	-	1
\$250,000 to \$259,999	-	-	-	1
\$260,000 to \$269,999	-	1	-	1
\$270,000 to \$279,999	1	-	1	-
\$280,000 to \$289,999	-	1	-	-
\$300,000 to \$309,999	-	1	-	-
\$310,000 to \$319,999	1	-	1	1
\$320,000 to \$329,999	1	1	1	-
\$330,000 to \$339,999	1	-	1	-
\$380,000 to \$389,999	1	1	1	-
\$500,000 to \$509,999	-	1	-	1
\$630,000 to \$639,999	-	1	-	-
\$680,000 to \$689,999	1	-	1	-
Total number of responsible persons	18	23	18	23
Total annualised employee equivalent	8	19	8	19
Total Amount	2,630	3,130	2,630	2,354

Income Band	University			
	Total Remuneration		Base Remuneration	
	2013	2012	2013	2012
Less than \$10,000	6	8	6	8
\$10,000 to \$19,999	4	3	4	3
\$20,000 to \$29,999	-	2	-	2
\$30,000 to \$39,999	-	1	-	1
\$40,000 to \$49,999	1	-	1	-
\$80,000 to \$89,999	-	-	-	1
\$100,000 to \$109,999	-	1	-	-
\$130,000 to \$139,999	-	-	-	1
\$140,000 to \$149,999	1	-	1	-
\$150,000 to \$159,999	-	1	-	-
\$170,000 to \$179,999	-	-	-	1
\$210,000 to \$219,999	-	-	-	1
\$230,000 to \$239,999	-	-	-	1
\$250,000 to \$259,999	-	-	-	1
\$260,000 to \$269,999	-	1	-	1
\$270,000 to \$279,999	1	-	1	-
\$280,000 to \$289,999	-	1	-	-
\$300,000 to \$309,999	-	1	-	-
\$310,000 to \$319,999	1	-	1	1
\$320,000 to \$329,999	1	1	1	-
\$330,000 to \$339,999	1	-	1	-
\$380,000 to \$389,999	1	1	1	-
\$500,000 to \$509,999	-	1	-	1
\$630,000 to \$639,999	-	1	-	-
\$680,000 to \$689,999	1	-	1	-
Total number of responsible persons	18	23	18	23
Total annualised employee equivalent	8	19	8	19
Total Amount	2,630	3,130	2,630	2,354

## NOTE 26 | KEY MANAGEMENT PERSONNEL DISCLOSURES continued...

### Remuneration of executive officers

The numbers of executive officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of full-time equivalent executive officers over the reporting period.

Income Band	Consolidated			
	Total Remuneration		Base Remuneration	
	2013	2012	2013	2012
\$10,000 to \$19,999	-	-	2	-
\$20,000 to \$29,999	1	-	-	-
\$30,000 to \$39,999	-	-	1	-
\$50,000 to \$59,999	-	-	1	-
\$70,000 to \$79,999	1	-	-	1
\$80,000 to \$89,999	-	-	-	1
\$90,000 to \$99,999	1	-	-	-
\$100,000 to \$109,999	-	-	-	2
\$110,000 to \$119,999	1	-	1	1
\$120,000 to \$129,999	-	1	-	2
\$130,000 to \$139,999	1	1	1	6
\$140,000 to \$149,999	1	3	1	5
\$150,000 to \$159,999	3	4	3	3
\$160,000 to \$169,999	3	5	3	1
\$170,000 to \$179,999	1	3	1	2
\$180,000 to \$189,999	2	3	2	1
\$190,000 to \$199,999	4	1	4	3
\$210,000 to \$219,999	1	2	1	-
\$220,000 to \$229,999	-	1	-	-
\$230,000 to \$239,999	1	3	1	-
\$240,000 to \$249,999	1	-	1	-
\$250,000 to \$259,999	1	-	1	-
\$260,000 to \$269,999	-	1	-	-
\$310,000 to \$319,999	1	-	-	-
Total number of executive officers	24	28	24	28
Total annualised employee equivalent	21	27	21	27
Total Amount	4,155	5,031	3,771	3,999

Income Band	University			
	Total Remuneration		Base Remuneration	
	2013	2012	2013	2012
\$10,000 to \$19,999	-	-	2	-
\$20,000 to \$29,999	1	-	-	-
\$30,000 to \$39,999	-	-	1	-
\$50,000 to \$59,999	-	-	1	-
\$70,000 to \$79,999	1	-	-	1
\$80,000 to \$89,999	-	-	-	1
\$90,000 to \$99,999	1	-	-	-
\$100,000 to \$109,999	-	-	-	2
\$110,000 to \$119,999	1	-	1	1
\$120,000 to \$129,999	-	1	-	2
\$130,000 to \$139,999	1	1	1	6
\$140,000 to \$149,999	1	3	1	5
\$150,000 to \$159,999	3	4	3	3
\$160,000 to \$169,999	3	5	3	1
\$170,000 to \$179,999	1	3	1	2
\$180,000 to \$189,999	2	3	2	1
\$190,000 to \$199,999	4	1	4	3
\$210,000 to \$219,999	1	2	1	-
\$220,000 to \$229,999	-	1	-	-
\$230,000 to \$239,999	1	3	1	-
\$240,000 to \$249,999	1	-	1	-
\$250,000 to \$259,999	1	-	1	-
\$260,000 to \$269,999	-	1	-	-
\$310,000 to \$319,999	1	-	-	-
Total number of executive officers	24	28	24	28
Total annualised employee equivalent	21	27	21	27
Total Amount	4,155	5,031	3,771	3,999

### Other transactions

Other related transactions and loans requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

## NOTE 26 | KEY MANAGEMENT PERSONNEL DISCLOSURES continued...

### Related parties

#### Transactions with related parties

The University of Ballarat entered into the following transactions and has current receivable amounts which are insignificant in amount, with responsible persons and responsible persons related parties in their domestic dealings and within normal customer or employee relationships on terms and conditions no more favourable than those available in similar arm's length dealings:

Professor D Battersby is a member of the Board of Directors of the Committee for Ballarat and is a member of the Board of Directors of Education Australia Limited and IDP. These organisations have relationships with the University of Ballarat.

Mr George Fong's company, Lateral Plains Pty Ltd rents office space at the University's Global Innovation Centre Mt Helen. (Rental 2013 \$24k)

## NOTE 27 | DISAGGREGATION INFORMATION

Industry	Revenue		Results		Assets	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Higher Education	168,628	230,769	8,040	55,118	491,863	505,058
TAFE	36,816	54,020	(3,836)	4,525	121,603	127,509
	205,444	284,789	4,204	59,643	613,466	632,567

Geographic	Revenue		Results		Assets	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	202,621	282,313	1,947	57,786	613,466	632,567
Asia	2,636	2,476	2,135	1,857	-	-
Pacific	70	-	5	-	-	-
Europe	117	-	117	-	-	-
	205,444	284,789	4,204	59,643	613,466	632,567

## NOTE 28 | SUBSIDIARIES

The Ballarat University Act 1993, Section 37 permits the University to form limited liability companies.

The consolidated financial statements of the University incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.04.

Entity	Country of Incorp.	Ownership interest	Ownership interest
		2013	2012
Inskill Pty Ltd	Australia	100%	100%
The School of Mines and Industries Ballarat Ltd	Australia	100%	100%
Datascreen Pty Ltd ( a subsidiary of Inskill )	Australia	82.6%	82.6%
UB Housing Pty Ltd	Australia	100%	100%

The financial statements of the subsidiaries have been audited by the Auditor-General of Victoria.

### Income Statement

Entity	Total Revenue		Total Expenditure		Net Profit/(Loss) after Tax	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Inskill Pty Ltd	-	-	-	4	-	(4)
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	-	-	-	-	-	-
UB Housing Pty Ltd	-	-	-	-	-	-
	-	-	-	4	-	(4)

### Balance Sheet

#### (a) Assets

Entity	Current Assets		Non-Current Assets		Total Assets	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Inskill Pty Ltd	17	15	38	39	55	54
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	1	1	-	-	1	1
UB Housing Pty Ltd	-	-	-	-	-	-
	18	16	38	39	56	55

#### (b) Liabilities

Entity	Current Liabilities		Non-Current Liabilities		Total Liabilities	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Inskill Pty Ltd	1	-	-	-	1	-
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	-	-	-	-	-	-
UB Housing Pty Ltd	-	-	-	-	-	-
	1	-	-	-	1	-

#### (c) Equity and Borrowings

Entity	External Borrowings		Internal Borrowings		Equity	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Inskill Pty Ltd	-	-	-	-	54	54
The School of Mines and Industries Ballarat Ltd	-	-	-	-	-	-
Datascreen Pty Ltd ( a subsidiary of Inskill )	-	-	-	-	1	1
UB Housing Pty Ltd	-	-	-	-	-	-
	-	-	-	-	55	55

## NOTE 29 | FINANCIAL INSTRUMENTS

### 29.1 TERMS, CONDITIONS AND ACCOUNTING POLICIES

The University's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at reporting date, are as follows:

Recognised Financial Instruments	Notes	Accounting Policies	Terms and Conditions
<b>FINANCIAL ASSETS</b>			
• Cash and cash equivalents  Cash at bank	4	Cash at Bank is carried at the nominal amount.	Interest on Cash at Bank is at 0.0045 (2012, 1.28%) with surplus Cash invested as funds permit at varying interest rates between 2.59% & 4.2%. (2012 3.11% & 6.0%)
• Cash and cash equivalents - Deposits at call	4	Deposits at call are carried at their principal amounts. Interest revenue is recognised in the operating statement when it is earned.	Deposits at call are available at 24 hour call at effective interest rates of 2.5% & 3.15% (2012, 2.97% & 4.40%)
• Cash and cash equivalents - Term deposits	4	Term Deposits are carried at their principal amounts. Interest revenue is recognised in the operating statement when it is earned	Term deposits have an average maturity of 55 days and effective interest rates of 2.59% & 4.2%. (2012 3.11% & 6.0%)
• Receivables - Debtors	5	Trade receivables are carried at amortised cost less any provision for doubtful debts. An allowance for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms
• Receivables - Other debtors	5	No Other Debtors were carried during the 2013 year.	N/A
• Other Financial Assets: Short Term Deposits	4	Deposits at call are carried at their principal amounts. Interest revenue is recognised in the operating statement when it is earned.	Term deposits have an average maturity of 148 days and effective interest rates of 3.83% & 4.98%
• Other Financial Assets: Unlisted Shares	8	Unlisted shares are carried at fair value, with provision for diminution. Dividends, when declared by the investee, will be recognised in the operating statement.	N/A
• Other Financial Assets: Listed Shares	8	Listed Shares are carried at fair value. Dividends declared by the investee, are recognised in the operating statement at the time they are earned.	
• Other Financial Assets: Income Securities	8	Income securities are carried at fair value. Distributions declared by the investee, are recognised in the operating statement at the time they are earned.	
<b>FINANCIAL LIABILITIES</b>			
• Payables Creditors and Accruals	14	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the University.	Trade liabilities are settled as required
• Payables Non-interest bearing liabilities	14	N/A	N/A
• Payables	-	Deferred superannuation benefits are recognised for amounts to be paid in the future for employee entitlements as per actuarial advice from the Government Superannuation Office.	N/A
• Interest Bearing Liabilities  Bank Overdraft	15	Bank overdrafts are carried at amortised cost Bank interest is charged as an expense as it accrues.  The amount of the standby credit arrangement is \$150,000	Interest is charged at the bank's ruling overdraft rate. Bank overdraft amount - Nil, (2012 - Nil).  The amount of unused credit is \$150,000
• Interest Bearing Liabilities:  Bills Payable	15	Bank loans are carried at amortised cost. Interest is charged as an expense as it accrues.  National Australia Bank - Commercial Bill Fixed Rate	N/A  The commercial bill facility is repayable in equal instalments over 5 years, to be paid out by 29 March 2016. Interest rate is 6.40%.

## NOTE 29 | FINANCIAL INSTRUMENTS continued...

### 29.2 FINANCIAL INSTRUMENT COMPOSITION AND MATURITY ANALYSIS

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

FINANCIAL INSTRUMENTS	Weighted average effective rate	Floating interest rate	Within 1 year	1 - 5 years	More than 5 years	Non interest bearing	Total carrying amount per balance sheet
<b>Consolidated - 2013</b>		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FINANCIAL ASSETS</b>							
• Cash and cash equivalents - Cash at Bank	0.45%	3,256	-	-	-	-	3,256
• Cash and cash equivalents - Deposits at Call	2.50%	30,046	-	-	-	-	30,046
• Receivables-Debtors	-	-	-	-	-	9,513	9,513
• Receivables-Other Debtors	-	-	-	-	-	70,325	70,325
• Other Financial Assets: Short Term Deposits	3.58%	-	53,920	-	-	-	53,920
• Other Financial Assets: Unlisted Shares	-	-	-	-	-	558	558
• Other Financial Assets: Listed Shares	-	-	-	-	-	26	26
• Other Financial Assets: Floating rate notes	-	-	-	-	-	-	-
Term Deposits	-	100,000	-	-	-	-	100,000
Income Securities	-	255	-	-	-	-	255
<b>Total Financial Assets</b>		133,557	53,920	-	-	80,422	267,899
<b>FINANCIAL LIABILITIES</b>							
• Payables: Creditors & Accruals	-	-	-	-	-	7,183	7,183
• Payables: Unfunded superannuation	-	-	-	-	-	66,617	66,617
• Interest Bearing Liabilities: Bills Payable	6.40%	-	595	796	-	-	1,391
<b>Total Financial Liabilities</b>		-	595	796	-	73,800	75,191

FINANCIAL INSTRUMENTS	Weighted average effective rate	Floating interest rate	Within 1 year	1 - 5 years	More than 5 years	Non interest bearing	Total carrying amount per balance sheet
<b>Consolidated - 2012</b>		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>FINANCIAL ASSETS</b>							
• Cash and cash equivalents - Cash at Bank	1.28%	4,703	-	-	-	-	4,703
• Cash and cash equivalents - Deposits at Call	3.69%	27,666	-	-	-	-	27,666
• Receivables-Debtors	-	-	-	-	-	2,773	2,773
• Receivables-Other Debtors	-	-	-	-	-	95,261	95,261
• Other Financial Assets: Short Term Deposits	4.56%	-	87,020	-	-	-	87,020
• Other Financial Assets: Unlisted Shares	-	-	-	-	-	558	558
• Other Financial Assets: Listed Shares	-	-	-	-	-	22	22
• Other Financial Assets: Floating rate notes	-	-	-	-	-	-	-
Term Deposits	5.66%	80,000	-	-	-	-	80,000
Income Securities	-	235	-	-	-	-	235
<b>Total Financial Assets</b>		112,604	87,020	-	-	98,614	298,238
<b>FINANCIAL LIABILITIES</b>							
• Payables: Creditors & Accruals	-	-	-	-	-	9,546	9,546
• Payables: Unfunded superannuation	-	-	-	-	-	90,062	90,062
• Interest Bearing Liabilities: Bills Payable	6.40%	-	560	1,390	-	-	1,950
<b>Total Financial Liabilities</b>		-	560	1,390	-	99,608	101,558

## 29.3 FINANCIAL RISK MANAGEMENT

### i) *Financial risk management objectives*

The University's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University by adhering to principles, interest rate risk, credit risk, the use of financial derivatives and non derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The University does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, ageing analysis for credit risk and data analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the University's finance division under policies approved by the University Council. The Council provides written principles for overall risk management, as well as policies covering specific areas, interest rate risk, credit risk, and investment of excess liquidity.

### ii) *Financial risk exposures and management*

The University's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivable and payables. The main risks the University can be exposed to through its financial instruments are market risk, price risk, funding risk, interest rate risk, credit risk and liquidity risk.

#### **Market Risk**

The University in its daily operations is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse effect on the operating result and/or net worth of the University e.g. an adverse movement in interest rates. The Council ensures that all market risk exposure is consistent with the University's business strategy and within the risk tolerance of the University. Regular risk reports are presented to the Council. There has been no significant change in the University's exposure, or its objectives, policies and processes for managing market risk from the previous reporting period.

#### **Foreign Currency Risk**

The University is not exposed to foreign currency risk.

#### **Price Risk**

The University is exposed to price risk in respect of fee for service, various business operations and contract services which are subject to open market competition. There has been no significant change in the University's exposure, or its objectives, policies and processes for managing price risk or the methods used to measure this risk from the previous reporting period.

#### **Interest Rate Risk**

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years. Similarly, interest rate risk also arises from the potential for a change in interest rates to cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the rate risk to achieve stable and sustainable net earnings in the long term. This is managed predominately through a mixture of short term and longer term investments according to the University's Investment policy.

Downward movements in interest rates during 2013 have had an impact on the University's year end result. It is estimated that the decrease in interest rates from 2.5% & 3.15% have decreased earnings by \$1.524m for 2013.

The University's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date are set out in the financial instrument composition and maturity analysis table.

#### **Funding Risk**

Funding risk is the risk of over reliance on a funding source to the extent that a change in that funding source could impact on the operating result for the current year and future years. The University manages funding risk by continuing to diversify and increase funding from commercial activities both domestically and offshore. There has been no significant change in the University's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

#### **Concentrations of Credit Risk**

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 31 December 2013.

Credit risk is managed on a group basis and reviewed regularly by the Finance Committee. It arises from exposures to customers as well as through certain financial instruments and deposits with financial institutions.

Management monitors credit risk by actively assessing the rating quality and liquidity of counterparties.

Only banking institutions with an A rating are utilised.

All potential customers are rated for credit worthiness taking into account their size, market position and financial standing.

Customers that do not meet the group's strict credit policies may only purchase in cash or using recognised credit cards.

The University does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the University.

The trade receivables balance at 31 December 2013 and 31 December 2012 do not include any counter parties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

The University minimises credit risk in relation to student loans receivable in the following ways:

- Specific loan conditions have been established which are applicable to all loans.
- The loan terms and conditions are evidenced in a contract signed by both parties.
- The maximum loan available is \$2,000.
- A schedule of repayments is agreed with the student at the time of making application
- There has been no significant change in the University's exposure, or its objectives, policies and processes for managing credit risk or the methods used to measure this risk from the previous reporting period.

#### **Liquidity Risk**

Credit risk is managed on a group basis and reviewed regularly by the Finance Committee. It arises from exposures to customers as well as through certain financial instruments and deposits with financial institutions.

The University has a standby facility of \$150,000 to provide short term cash.

There has been no significant change in the University's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

## 29.4 FINANCIAL INSTRUMENTS - SUMMARISED SENSITIVITY ANALYSIS

The following table summarises the sensitivity of the University's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2013	Carrying amount	Interest rate risk			
		-0.5%		1.0%	
		Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
• Cash and cash equivalents - Cash at Bank	3,256	( 16)	( 16)	33	33
• Cash and cash equivalents - Deposits at Call	30,046	( 150)	( 150)	300	300
• Other Financial Assets:					
Short Term Deposits	53,920	( 270)	( 270)	539	539
• Other Financial Assets:					
Income Securities	255	( 1)	( 1)	3	3
<b>Financial liabilities</b>					
• Interest Bearing Liabilities:					
Bills Payable	796	( 4)	( 4)	8	8
<b>Total increase/(decrease)</b>		( 441)	( 441)	883	883

31 December 2012	Carrying amount	Interest rate risk			
		-0.5%		1.0%	
		Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>					
• Cash and cash equivalents - Cash at Bank	4,703	( 24)	( 24)	47	47
• Cash and cash equivalents - Deposits at Call	27,666	( 138)	( 138)	277	277
• Other Financial Assets:					
Short Term Deposits	83,100	( 416)	( 416)	831	831
• Other Financial Assets:					
Income Securities	235	( 1)	( 1)	2	2
<b>Financial liabilities</b>					
• Interest Bearing Liabilities:					
Bills Payable	1,390	( 7)	( 7)	14	14
<b>Total Increase/(decrease)</b>		( 586)	( 586)	1,171	1,171

## NOTE 30 | FAIR VALUE MEASUREMENTS

### (a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the current receivables and payables, their carrying amounts are considered to approximate their fair values and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

	Carrying amount		Fair Value	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Cash and cash equivalents	87 222	119 389	87 222	119 389
Receivables	13 237	7 972	13 237	7 972
Deferred government contributions for superannuation	66 617	90 062	66 617	90 062
Term Deposits	100 000	80 000	100 000	80 000
Other financial assets				
Available for sale financial assets				
Shares - listed at cost	26	22	26	22
Other investments - at cost	255	235	255	235
Shares - unlisted at cost	558	558	558	558
<b>Total financial assets</b>	<b>267 915</b>	<b>298 238</b>	<b>267 915</b>	<b>298 238</b>
<b>Financial liabilities</b>				
Payables	7 183	9 546	7 183	9 546
Deferred Benefits for superannuation	66 617	90 062	66 617	90 062
Borrowings				
Bank bills secured	1 391	1 950	1 391	1 950
<b>Total financial liabilities</b>	<b>75 191</b>	<b>101 558</b>	<b>75 191</b>	<b>101 558</b>

The University measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- biological assets (blood stock);
- investment property;
- land;
- buildings;
- leased land;
- leasehold improvements;
- equipment and furniture;
- motor vehicles;
- library holdings; and
- art collection.

The University also measured land held for resale (note 9) at fair value on a non-recurring basis as a result of the assets being classified as non-current assets held for sale in accordance with AASB 5: *Non-current Assets Held for Sale and Discontinued Operations*

### (b) Fair Value Hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly; and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## NOTE 30 | FAIR VALUE MEASUREMENTS continued...

(i) Recognised fair value measurements

Fair value measurements recognised in the balance sheet are categorised into the following levels at 31 December 2013

The disclosure requirements in AASB 13 need not be applied by the University in the comparative information provided for periods before initial application of AASB 13. However, as some of the disclosures now required under AASB 13 were previously required under other Australian Accounting Standards, the University has provided this previously provided information as comparatives in the current reporting period.

The following tables provide the fair values of the University's assets and liabilities measured and recognised initial recognition and their categorisation within the fair value hierarchy.

31 December 2013										
Consolidated					University					
Recurring fair value measurements	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	
<b>Financial assets</b>										
<b>Available-for-sale financial assets</b>										
-	Shares in listed entities - at fair value	8	-	26	-	26	-	26	-	26
-	Shares in unlisted entities - at cost	8	-	-	255	255	-	-	255	255
-	Other investments - at cost	8	-	-	558	558	-	-	519	519
<b>Total financial assets recognised at fair value</b>			-	26	813	839	-	26	774	800
<b>Non-financial assets</b>										
	Biological assets (blood stock)	7	3	-	-	3	3	-	-	3
	Land	11	-	41,915	-	41,915	-	41,915	-	41,915
	Buildings	11	-	184,629	-	184,629	-	184,629	-	184,629
	Leased land	11	-	545	-	545	-	545	-	545
	Leasehold improvements	11	-	2,046	-	2,046	-	2,046	-	2,046
	Equipment and furniture	11	-	15,137	-	15,137	-	15,137	-	15,137
	Motor vehicles	11	-	2,058	-	2,058	-	2,058	-	2,058
	Library Holdings	11	-	3,950	-	3,950	-	3,950	-	3,950
	Art collection	11	-	1,277	-	1,277	-	1,277	-	1,277
	Investment properties	12	-	62,845	-	62,845	-	62,845	-	62,845
<b>Total non-financial assets recognised at fair value</b>			3	314,402	-	314,405	3	314,402	-	314,405
<b>Total recurring fair value measurements</b>										
<b>Non-recurring fair value measurements</b>										
	Land held for resale	9	-	70	-	70	-	70	-	70
<b>Total non-recurring fair value measurements</b>			-	70	-	70	-	70	-	70
<b>Total fair value measurement</b>			3	314,498	813	315,314	3	314,498	774	315,275

**NOTE 30 | FAIR VALUE MEASUREMENTS continued...**

31 December 2012									
Consolidated					University				
Recurring fair value measurements	Notes	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial assets</b>									
<b>Available-for-sale financial assets</b>									
-	Shares in listed entities - at fair value	8	22	-	22	22	-	-	22
-	Shares in unlisted entities - at cost	8	-	235	235	-	-	235	235
-	Other investments - at cost	8	-	558	558	-	-	519	519
<b>Total financial assets recognised at fair value</b>			<b>22</b>	<b>-</b>	<b>793</b>	<b>22</b>	<b>-</b>	<b>754</b>	<b>776</b>
<b>Non-financial assets</b>									
Biological assets (blood stock)	7	3	-	-	3	3	-	-	3
Land	11	-	41,915	-	41,915	-	41,915	-	41,915
Buildings	11	-	146,653	-	146,653	-	146,653	-	146,653
Leased land	11	-	545	-	545	-	545	-	545
Leasehold improvements	11	-	2,165	-	2,165	-	2,165	-	2,165
Equipment and furniture	11	-	14,644	-	14,644	-	14,644	-	14,644
Motor vehicles	11	-	2,080	-	2,080	-	2,080	-	2,080
Library Holdings	11	-	3,738	-	3,738	-	3,738	-	3,738
Art collection	11	-	1,277	-	1,277	-	1,277	-	1,277
Investment properties	12	-	66,070	-	66,070	-	66,070	-	66,070
<b>Total non-financial assets recognised at fair value</b>			<b>3</b>	<b>279,087</b>	<b>-</b>	<b>279,090</b>	<b>3</b>	<b>279,087</b>	<b>-</b>
<b>Total recurring fair value measurements</b>									
<b>Non-recurring fair value measurements</b>									
Land held for resale	9	-	75	-	75	-	75	-	75
<b>Total non-recurring fair value measurements</b>			<b>-</b>	<b>75</b>	<b>-</b>	<b>75</b>	<b>-</b>	<b>75</b>	<b>-</b>
<b>Total fair value measurement</b>			<b>25</b>	<b>279,162</b>	<b>793</b>	<b>279,980</b>	<b>25</b>	<b>279,162</b>	<b>754</b>

The fair value measurement amounts of non-financial assets are being used in their highest and best use.

There were no transfers between Levels 1 and 2 for assets measured at fair value during the reporting period (2012: no transfers)

**NOTE 30 | FAIR VALUE MEASUREMENTS continued...**

<i>(ii) Disclosed fair value measurements</i>		
The University has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes. These assets are as follows:		
-	receivables;	
-	term deposits;	
-	payables; and	
-	borrowings – bank bills secured.	
The carrying amount less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate (6.4%) that is available to the University for similar financial instruments (Level 3).		
The fair values of held-to-maturity investments (term deposits) that are disclosed in note 30(a) were determined by reference to published price quotations in an active market (Level 1).		
The fair value of non-current borrowings – bank bills secured disclosed in note 30(a) is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the University for similar financial instruments.		
For the period ending 31 December 2013, the borrowing rates were determined to be 6.4% The fair value of current borrowings approximates the carrying amount, as such the impact of discounting is not significant (level2)		
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements (2012: no changes).		
<b>(c) Valuation techniques used to derive Level 2 fair values</b>		
<i>(i) Level 2 Recurring fair value measurements</i>		
The following table provides a description of the valuation technique(s) and inputs used in determining Level 2 fair value measurements on a recurring basis.		
Description	Valuation technique(s)	Inputs used
<b>Non-financial assets</b>		
Biological assets (blood stock)	Market approach using recent observable market data for similar assets	Market price per head
Land (*)	Market approach using recent observable market data for similar properties	Market price per hectare
Buildings (*)	Market approach using recent observable market data for similar properties	Market price per square metre
Leased land (**)	Market approach using recent observable market data for similar properties and/or income approach using discounted cash flow methodology	Market price per hectare and/or market borrowing rate
Leasehold improvements	Market approach using recent observable market data for similar assets	Market price per unit
Equipment and furniture	Market approach using recent observable market data for similar assets	Market price per unit
Motor vehicles	Market approach using recent observable market data for similar assets	Market price per unit
Library Holdings	Historic cost of the asset as proxy for fair value	Historical cost
Art collection (**)	Market approach using recent observable market data for similar assets	Replacement price per unit
Investment properties (***)	Market approach using recent observable market data for similar properties and/or income approach using discounted cash flow methodology	Market price per square metre and/or market borrowing rate
(*)	The land and buildings were last independently valued as at 31 December 2012 by The Leader Property Group, acting on behalf of the Office of the Valuer General, Victoria.	
(**)	The art collection was last independently valued as at 31 December 2010 by Deutscher Menzies, Fine Art Auctioneers.	
(***)	The investment properties were last independently valued as at 31 December 2013 by The Leader Property Group at The Technology Park on the Mt Helen Campus of University of Ballarat. The Leader Property Group performed the valuation behalf of the Office of the Valuer General, Victoria. The staff of the Leader Property Group that performed the valuation are independent valuers who have recognised and appropriate professional qualifications and recent experience in the location and category of investment property being valued.	
There were no changes during the period in the valuation techniques used by the University to determine Level 2 fair values (2012 no changes).		
<i>(ii) Non-recurring fair value measurements</i>		
Land classified as non-current assets held for sale during 2013 is measured at lower of its carrying amount and fair value less costs to sell in accordance with AASB 5. At the reporting date, the University had entered into negotiations to sell the land but had not completed those negotiations at that date. The fair value of the land is based on the tentative price negotiated up to the reporting date. The negotiated amount is based on a value determined using the sales comparison approach as at the reporting date .		
There were no changes during the period in the valuation techniques used by the University to determine the fair value less costs to sell of the land held for sale (2012: no changes).		

<b>(d) Fair value measurements using significant unobservable inputs (Level 3)</b>				
<i>(i) Reconciliation of recurring Level 3 fair value measurements</i>				
The following table provides a reconciliation of Level 3 items for the period ending 31 December 2013 .				
	Shares in listed entities	Shares in unlisted entities	Other investments	
Opening balance		558	235	
Acquisitions				
Transfers from Level 1				
Transfers from Level 2				
Transfers out of Level 3				
Sales				
Gains/(losses) recognised in profit or loss *		-	20	
Gains/(losses) recognised in other comprehensive income				
Purchases				
Closing balance		558	255	
* Unrealised gains/(losses) recognised in profit or loss attributable to available-for-sale financial assets on hand at the end of the reporting period				
There were no transfers between Levels 2 and 3 for liabilities measured at fair value on a recurring basis during the reporting period (2012: no transfers).				
<i>(ii) Valuation inputs and relationships to fair value</i>				
The following table summarises the quantitative information about the valuation processes and significant unobservable inputs used in Level 3 fair value measurements.				
Description	Valuation technique(s)	Unobservable inputs used	Range of inputs	Estimated sensitivity of fair value measurement to changes in unobservable inputs
<b>Financial assets</b>				
<b>Available-for-sale financial assets</b>				
Shares in unlisted entities	Historic cost of the asset as proxy for fair value	Historical costs used no trading data available	Historic cost of the asset as proxy for fair value	-
Other investments	Historic cost of the asset as proxy for fair value	Historical costs used no trading data available	Historic cost of the asset as proxy for fair value	-
There were no significant inter-relationships between unobservable inputs that materially affect the fair value measurements .				
<i>(iii) Valuation processes</i>				
Historical cost has been used as a proxy for fair value of level 3 assets. The fair value of the financial assets approximates the carrying amount.				
There have been no changes during the period in the valuation technique used by the University to measure the fair value of available-for-sale financial assets (2012: no changes).				

## NOTE 31 | ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE

### NOTE 31.1 Education - CGS and Other Education Grants

	Commonwealth Grants Scheme		Indigenous Support Fund		Capital Development Pool		Promotion of Excellence in Learning and Teaching	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	47,697	49,952	188	158	-	-	85	50
Net accrual adjustments	(710)	539	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>46,987</b>	<b>50,491</b>	<b>188</b>	<b>158</b>	<b>-</b>	<b>-</b>	<b>85</b>	<b>50</b>
Surplus/(deficit) from the previous year	-	-	-	-	1,405	1,405	50	-
<b>Total revenue including accrued revenue</b>	<b>46,987</b>	<b>50,491</b>	<b>188</b>	<b>158</b>	<b>1,405</b>	<b>1,405</b>	<b>135</b>	<b>50</b>
Less expenses including accrued expenses	(46,987)	(50,491)	(118)	(158)	(1,405)	-	(135)	-
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>1,405</b>	<b>-</b>	<b>50</b>

	HE Partnership Project Funding		HE Structural Adjustment Fund Program		HE Participation Program		HE Partnership Base Funding	
	2013	2012	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	872	529	4,050	20,770	1,225	1,151	250	136
Net accrual adjustments	-	-	-	-	154	(154)	-	-
<b>Revenue for the reporting period</b>	<b>872</b>	<b>529</b>	<b>4,050</b>	<b>20,770</b>	<b>1,379</b>	<b>997</b>	<b>250</b>	<b>136</b>
Surplus/(deficit) from the previous year	50	-	17,662	-	-	573	-	114
<b>Total revenue including accrued revenue</b>	<b>922</b>	<b>529</b>	<b>21,712</b>	<b>20,770</b>	<b>1,379</b>	<b>1,570</b>	<b>250</b>	<b>250</b>
Less expenses including accrued expenses	(672)	(479)	(5,391)	(3,108)	(1,379)	(1,570)	(250)	(250)
<b>Surplus / (deficit) for reporting period</b>	<b>250</b>	<b>50</b>	<b>16,321</b>	<b>17,662</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Disability Support Programme		Transitional Cost Program		Diversity & Structural Adjustment Fund		Reward Funding		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	38	69	-	12	-	-	117	121	54,522	72,948
Net accrual adjustments	-	-	-	-	-	-	-	-	(556)	385
<b>Revenue for the reporting period</b>	<b>38</b>	<b>69</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>117</b>	<b>121</b>	<b>53,966</b>	<b>73,333</b>
Surplus/(deficit) from the previous year	-	-	-	-	52	102	-	-	19,219	2,194
<b>Total revenue including accrued revenue</b>	<b>38</b>	<b>69</b>	<b>-</b>	<b>12</b>	<b>52</b>	<b>102</b>	<b>117</b>	<b>121</b>	<b>73,185</b>	<b>75,527</b>
Less expenses including accrued expenses	(38)	(69)	-	(12)	(10)	(50)	(117)	(121)	(56,502)	(56,308)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42</b>	<b>52</b>	<b>-</b>	<b>-</b>	<b>16,683</b>	<b>19,219</b>

**NOTE 31.2 Higher Education Loan Programmes**

	<b>HECS - HELP (Australian Government payments only)</b>									
	<b>FEE - HELP</b>		<b>VET FEE - HELP</b>		<b>STUD AMEN - HELP</b>		<b>Total</b>			
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period in respect of current year	25,315	23,174	2,320	1,435	1,437	-	1,126	637	30,198	25,246
Cash received in respect of previous years	1,317	739	633	352	1,419	-	94	-	3,463	1,091
Net accrual adjustments	1,006	-	(218)	-	(1,200)	700	9	-	(403)	700
<b>Cash Available for period</b>	<b>27,638</b>	<b>23,913</b>	<b>2,735</b>	<b>1,787</b>	<b>1,656</b>	<b>700</b>	<b>1,229</b>	<b>637</b>	<b>33,258</b>	<b>27,037</b>
Revenue earned	(29,805)	(24,485)	(2,586)	(2,123)	(1,656)	(700)	(1,135)	(730)	(35,182)	(28,038)
<b>Cash Payable/ (Receivable) at end of year</b>	<b>(2,167)</b>	<b>(572)</b>	<b>149</b>	<b>(336)</b>	<b>-</b>	<b>-</b>	<b>94</b>	<b>(93)</b>	<b>(1,924)</b>	<b>(1,001)</b>

**NOTE 31.3 Learning Scholarships**

	<b>Australian Postgraduate Awards</b>		<b>International Postgraduate Research Scholarships</b>		<b>Commonwealth Education Cost Scholarships</b>		<b>Commonwealth Accommodation Scholarships</b>			
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	791	743	66	64	(13)	24	(19)	-	-	-
Net accrual adjustments	-	-	-	-	20	5	26	-	-	-
<b>Revenue for the reporting period</b>	<b>791</b>	<b>743</b>	<b>66</b>	<b>64</b>	<b>7</b>	<b>29</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus/(deficit) from the previous year	255	199	(28)	(17)	-	-	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>1,046</b>	<b>942</b>	<b>38</b>	<b>47</b>	<b>7</b>	<b>29</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less expenses including accrued expenses	(709)	(687)	(101)	(75)	(4)	(29)	-	-	-	-
<b>Surplus / (deficit) for reporting period</b>	<b>337</b>	<b>255</b>	<b>(63)</b>	<b>(28)</b>	<b>3</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Includes program deficit from prior year

	<b>National Priority Scholarships</b>		<b>National Accommodation Scholarships</b>		<b>Indigenous Access</b>		<b>Total</b>			
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	(766)	458	-	33	27	22	86	1,344	-	-
Net accrual adjustments	766	(458)	-	60	28	24	840	(369)	-	-
<b>Revenue for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>55</b>	<b>46</b>	<b>926</b>	<b>975</b>	<b>-</b>	<b>-</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-	227	182	-	-
<b>Total revenue including accrued revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>93</b>	<b>55</b>	<b>46</b>	<b>1,153</b>	<b>1,157</b>	<b>-</b>	<b>-</b>
Less expenses including accrued expenses	-	-	-	(93)	(55)	(46)	(869)	(930)	-	-
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>284</b>	<b>227</b>	<b>-</b>	<b>-</b>

\* Includes program deficit from prior year

**NOTE 31.4 Voluntary Student Unionism and Better Universities Renewal Funding**

	<b>VSU Transition Fund</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	-	-	-	-
Net accrual adjustments	-	-	-	-
<b>Revenue for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Surplus/(deficit) from the previous year	566	2,915	566	2,915
<b>Total revenue including accrued revenue</b>	<b>566</b>	<b>2,915</b>	<b>566</b>	<b>2,915</b>
Less expenses including accrued expenses	(566)	(2,349)	(566)	(2,349)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>566</b>	<b>-</b>	<b>566</b>

**NOTE 31 | ACQUITTAL OF COMMONWEALTH GOVERNMENT FINANCIAL ASSISTANCE continued...**

**NOTE 31.5 Education Research**

	Research Training Scheme		Research Infrastructure Block Grants		Joint Research Engagement Program	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	1,853	1,877	127	124	833	903
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>1,853</b>	<b>1,877</b>	<b>127</b>	<b>124</b>	<b>833</b>	<b>903</b>
Surplus/(deficit) from the previous year	-	-	55	49	-	-
<b>Total revenue including accrued revenue</b>	<b>1,853</b>	<b>1,877</b>	<b>182</b>	<b>173</b>	<b>833</b>	<b>903</b>
Less expenses including accrued expenses	(1,853)	(1,877)	(100)	(118)	(799)	(779)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>82</b>	<b>55</b>	<b>34</b>	<b>124</b>

	SRE Base & Threshold 1		Total	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	221	188	3,034	3,092
Net accrual adjustments	-	-	-	-
<b>Revenue for the reporting period</b>	<b>221</b>	<b>188</b>	<b>3,034</b>	<b>3,092</b>
Surplus/(deficit) from the previous year	-	-	55	49
<b>Total revenue including brought forward from prior year</b>	<b>221</b>	<b>188</b>	<b>3,089</b>	<b>3,141</b>
Less expenses including accrued expenses	(221)	(184)	(2,973)	(2,958)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>4</b>	<b>116</b>	<b>183</b>

**NOTE 31.6 Australian Research Council Grants**

	Discovery Projects		Linkages Projects		Total	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	177	174	(15)	376	162	550
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the reporting period</b>	<b>177</b>	<b>174</b>	<b>(15)</b>	<b>376</b>	<b>162</b>	<b>550</b>
Surplus/(deficit) from the previous year	114	84	166	260	280	344
<b>Total revenue including accrued revenue</b>	<b>291</b>	<b>258</b>	<b>151</b>	<b>636</b>	<b>442</b>	<b>894</b>
Less expenses including accrued expenses	(136)	(144)	(220)	(470)	(356)	(614)
<b>Surplus / (deficit) for reporting period</b>	<b>155</b>	<b>114</b>	<b>(69)</b>	<b>166</b>	<b>86</b>	<b>280</b>

**Note 31.7 Other Australian Government Grants received**

	Higher Education Superannuation		OS - HELP		Total	
	2013	2012	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the Programmes)	4,422	4,777	34	(1)	4,456	4,776
Net accrual adjustments	174	455	-	-	174	455
<b>Revenue for the reporting period</b>	<b>4,596</b>	<b>5,232</b>	<b>34</b>	<b>(1)</b>	<b>4,630</b>	<b>5,231</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>4,596</b>	<b>5,232</b>	<b>34</b>	<b>(1)</b>	<b>4,630</b>	<b>5,231</b>
Less expenses including accrued expenses	(4,014)	(5,088)	(30)	(15)	(4,044)	(5,103)
<b>Surplus / (deficit) for reporting period</b>	<b>582</b>	<b>144</b>	<b>4</b>	<b>(16)</b>	<b>586</b>	<b>128</b>

## NOTE 32 | HIGHER EDUCATION, TAFE RESULTS

### 32.1 - STATEMENT OF COMPREHENSIVE INCOME : HIGHER EDUCATION & TAFE

#### OPERATING RESULTS: HIGHER EDUCATION AND TAFE

Operating revenues and operating expenses for Higher Education and TAFE Divisions of the University are shown in the following tables. The figures refer only to the University - consolidated totals are not included. Discrete sets of accounts are maintained for the two divisions for the recording of their separate revenues and expenses. Some central administrative expenses are proportioned between them on bases agreed at the time of establishing budgets. Depreciation is distributed in accordance with relative asset values.

	Higher Education		TAFE	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Revenue from continuing operations				
Australian Government financial assistance				
Australian Government grants	60,052	88,399	-	9,360
HECS-HELP - Australian Government payments	31,602	26,337	-	-
FEE-HELP	-	-	-	-
VET FEE HELP	-	-	1,656	700
STUDENT ANENITIES - HELP	-	-	-	-
State Government financial assistance	484	125	23,951	31,540
HECS-HELP - Student payments	2,228	2,340	-	-
Course fees and charges	64,939	62,925	8,398	7,667
Other fees and charges	12,092	11,774	2,214	2,828
Consultancy and contract research	5,979	4,931	-	490
Investment revenue	13,196	13,743	429	1,287
Other revenue	1,483	1,234	168	120
Profit on disposal of assets	24	( 119)	-	28
Total revenue from continuing operations	<u>192,079</u>	<u>211,689</u>	<u>36,816</u>	<u>54,020</u>
Revaluation increment on investment properties	-	890	-	-
Deferred Government superannuation contributions	( 23,445)	18,099	-	-
Total revenue and income from continuing operations	<u>168,634</u>	<u>230,678</u>	<u>36,816</u>	<u>54,020</u>
Expenses from continuing operations				
Employee benefits	82,225	73,589	27,007	34,122
Depreciation and amortisation	9,931	8,456	3,329	4,007
Repairs and maintenance	3,920	3,702	1,448	1,010
Bad and doubtful debts	736	( 167)	408	102
Other expenses	41,918	33,357	8,397	10,249
Losses on disposal of assets	-	-	6	-
Finance costs	107	148	-	-
Private providers	41,977	38,376	57	5
Total expenses from continuing operations	<u>180,814</u>	<u>157,461</u>	<u>40,652</u>	<u>49,495</u>
Revaluation decrement on investment properties	3,225	-	-	-
Actuarial gain(loss) of superannuation defined benefit plans	( 23,445)	18,099	-	-
Total Expenses	<u>160,594</u>	<u>175,560</u>	<u>40,652</u>	<u>49,495</u>
Operating result before income tax for the year	<u>8,040</u>	<u>55,118</u>	<u>( 3,836)</u>	<u>4,525</u>

**NOTE 32 | HIGHER EDUCATION, TAFE RESULTS continued...**

**32.2 - BALANCE SHEET: HIGHER EDUCATION & TAFE**

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013**

	Higher Education		TAFE	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Cash and cash equivalents	87,734	97,690	( 528)	21,684
Receivables	10,690	10,691	7,194	2,005
Inventories	91	162	13	43
Biological assets	-	-	3	3
Other financial assets	100,281	80,257	-	-
Assets held for resale	70	75	-	-
Other assets	2,219	1,809	317	306
<b>Total Current Assets</b>	<b>201,085</b>	<b>190,684</b>	<b>6,999</b>	<b>24,041</b>
<b>Non-Current Assets</b>				
Receivables	61,970	85,347	-	-
Other financial assets	519	519	-	-
Property, plant and equipment	162,970	158,554	114,123	102,829
Investment Properties	62,845	66,070	-	-
Intangible Assets	2,474	3,884	481	639
<b>Total Non-Current Assets</b>	<b>290,778</b>	<b>314,374</b>	<b>114,604</b>	<b>103,468</b>
<b>TOTAL ASSETS</b>	<b>491,863</b>	<b>505,058</b>	<b>121,603</b>	<b>127,509</b>
<b>Current Liabilities</b>				
Payables	6,740	7,676	441	1,869
Borrowings	595	560	-	-
Provisions	19,732	18,472	4,575	4,987
Other liabilities	9,329	6,744	-	-
<b>Total Current Liabilities</b>	<b>36,396</b>	<b>33,452</b>	<b>5,016</b>	<b>6,856</b>
<b>Non-Current Liabilities</b>				
Borrowings	796	1,390	-	-
Provisions	63,889	87,474	636	866
<b>Total Non-Current Liabilities</b>	<b>64,685</b>	<b>88,864</b>	<b>636</b>	<b>866</b>
<b>TOTAL LIABILITIES</b>	<b>101,081</b>	<b>122,316</b>	<b>5,652</b>	<b>7,722</b>
<b>NET ASSETS</b>	<b>390,782</b>	<b>382,742</b>	<b>115,951</b>	<b>119,787</b>
<b>EQUITY</b>				
Accumulated Surplus	273,631	265,591	86,791	90,627
Reserves	117,151	117,151	29,160	29,160
<b>TOTAL EQUITY</b>	<b>390,782</b>	<b>382,742</b>	<b>115,951</b>	<b>119,787</b>

**NOTE 32 | HIGHER EDUCATION, TAFE RESULTS continued...**

**Note 32.3 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013**

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2013**

	Higher Education		TAFE	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Cash Flows from Operating Activities</b>				
<b>Receipts</b>				
User fees and charges received	84,001	80,475	5,323	12,507
Investment Income received	12,142	13,977	405	1,439
Other receipts	1,483	1,250	168	120
GST recovered from ATO	9,685	9,089	1,984	2,272
<b>Cash flows from Government</b>				
State Government Grants	484	125	18,142	30,400
State Government contributions - specific projects	-	-	1,367	2,434
Commonwealth Government / Grants	56,912	80,762	2,856	0
Government contributions - specific projects	-	7,621	-	9,360
Higher Education Contribution Scheme:				
Student payments	2,228	2,340	-	-
HELP SCHEMES	26,632	23,913	-	-
STUDENT AMENTTIES - HELP	1,220	637	-	-
FEE-HELP - Commonwealth payments	2,953	1,787	-	-
VET FEE - HELP	2,856	-	-	-
OS - HELP ( Net)	4	( 16)	-	-
Superannuation Supplementation	408	( 311)	-	-
<b>Payments</b>				
Payments to employees	( 81,239)	( 69,413)	( 27,719)	( 33,326)
Payments to suppliers ( Including GST)	( 53,859)	( 45,608)	( 10,566)	( 12,273)
Finance costs	( 107)	( 148)	-	-
Payments to private providers	( 41,977)	( 38,376)	( 57)	( 5)
Net decrease (increase) in student loans	19	49	76	( 192)
<b>Net cash provided by/(used in) operating activities</b>	<b>23,845</b>	<b>68,153</b>	<b>( 8,021)</b>	<b>12,736</b>
<b>Cash Flows from Investing Activities</b>				
Payments for property, plant & equipment	( 13,472)	( 27,503)	( 14,197)	( 9,058)
Proceeds from sale of property, plant and equipment	279	( 589)	6	930
Payments for Intangible Assets	-	-	-	-
Proceeds/(purchase) of investments	( 20,048)	( 44,097)	-	-
<b>Net cash provided by (used in) investing activities</b>	<b>( 33,241)</b>	<b>( 72,189)</b>	<b>( 14,191)</b>	<b>( 8,128)</b>
<b>Cash Flows from Financing Activities</b>				
Repayment of interest bearing liabilities	( 560)	( 527)	-	-
<b>Net cash provided for (used in) financing activities</b>	<b>( 560)</b>	<b>( 527)</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>( 9,956)</b>	<b>( 4,563)</b>	<b>( 22,212)</b>	<b>4,608</b>
Cash and cash equivalents at the beginning of the financial year	97,690	102,253	21,684	17,076
<b>Cash and cash equivalents at the end of the financial year</b>	<b>87,734</b>	<b>97,690</b>	<b>( 528)</b>	<b>21,684</b>

**NOTE 32 | HIGHER EDUCATION, TAFE RESULTS continued...**

**Note 32.4 STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013**

	TAFE					
	2013			2012		
	Reserves \$'000	Retained Surplus \$'000	Total \$'000	Reserves \$'000	Retained Surplus \$'000	Total \$'000
<b>Total equity at the beginning of the financial year</b>	29,160	90,627	119,787	33,184	86,101	119,285
Net operating result after income tax for the year	-	( 3,836)	( 3,836)	-	4,526	4,526
Movement in Revaluation Reserve	-	-	-	( 4,024)	-	( 4,024)
<b>Total equity at the end of the financial year</b>	<b>29,160</b>	<b>86,791</b>	<b>115,951</b>	<b>29,160</b>	<b>90,627</b>	<b>119,787</b>

	Higher Education					
	2013			2012		
	Reserves \$'000	Retained Surplus \$'000	Total \$'000	Reserves \$'000	Retained Surplus \$'000	Total \$'000
<b>Total equity at the beginning of the financial year</b>	117,151	265,591	382,742	98,810	210,474	309,284
Net operating result after income tax for the year	-	8,040	8,040	-	55,117	55,117
Movement in Revaluation Reserve	-	-	-	18,341	-	18,341
Transfer of reserves	-	-	-	-	-	-
<b>Total equity at the end of the financial year</b>	<b>117,151</b>	<b>273,631</b>	<b>390,782</b>	<b>117,151</b>	<b>265,591</b>	<b>382,742</b>

## NOTE 33 | EXGRATIA PAYMENTS

	Consolidated		University	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
The University has made no ex-gratia payments	-	-	-	-

## NOTE 34 | EVENTS OCCURRING AFTER THE REPORTING DATE

Other than mentioned herein, at the date of this report there is no matter or circumstance that has arisen since 31 December 2013 which has or may significantly affect:

- (a) The operation of the economic entity;
- (b) The results of those operations; or
- (c) The state of affairs of the economic entity in the financial years subsequent to 31/12/2013

In 2013 the University of Ballarat resolved to request that its name be changed from the University of Ballarat to Federation University Australia to reflect its broadened focus beyond central and western Victoria. Following that resolution, the UNIVERSITY OF BALLARAT ACT 2010 was amended by the University of Ballarat Amendment (Federation University Australia) Act 2013 to change the name of the University of Ballarat to Federation University Australia effective 1 January 2014. The 2013 Act also changed the name of UNIVERSITY OF BALLARAT ACT 2010 to reflect the new name of the University.

Also during 2013 the University of Ballarat entered into an agreement with Monash University to take over the majority of the operations, assets and staff of Monash's Gippsland Campus located in Churchill Victoria, effective 1 January 2014.

Monash has agreed to transfer all assets covered under the agreement to the University of Ballarat at nil consideration and free from all encumbrances and security interests. Except as otherwise expressly provided in the agreement, all liabilities relating to the operation of Monash's Gippsland Campus up to 31 December 2013 are Monash's responsibility (irrespective of whether the liability arises before or after that date). The estimated net cost to the University during 2014 is estimated to be \$2m

## INDEPENDENT AUDITOR'S REPORT

### To the Council Members, University of Ballarat

#### *The Financial Report*

The accompanying financial report for the year ended 31 December 2013 of the University of Ballarat which comprises statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, notes comprising a summary of significant accounting policies and other explanatory information, and the Declaration by Chancellor, Vice Chancellor and Chief Financial Officer has been audited. The financial report is the consolidated financial statements of the economic entity, comprising the University of Ballarat and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 28 to the financial statements.

#### *The Council Members' Responsibility for the Financial Report*

The Council Members of the University of Ballarat are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994* and for such internal control as the Council members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University of Ballarat and the consolidated entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Council members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Independent Auditor's Report (continued)

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of the University of Ballarat and the consolidated entity as at 31 December 2013 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Financial Report*

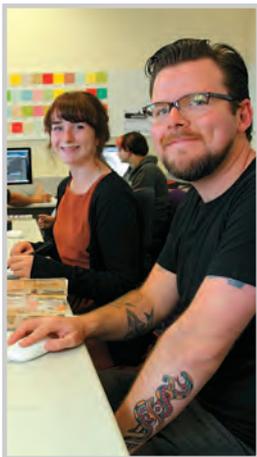
This auditor's report relates to the financial report of the University of Ballarat for the year ended 31 December 2013 included both in the University of Ballarat's annual report and on the website. The Council Members of the University of Ballarat are responsible for the integrity of the University of Ballarat's website. I have not been engaged to report on the integrity of the University of Ballarat's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE  
21 February 2014



John Doyle  
Auditor-General







UNIVERSITY OF BALLARAT | SMB CAMPUS

107 LYDIARD STREET SOUTH | BALLARAT, VICTORIA, 3350  
PO BOX 668 | BALLARAT | VICTORIA 3353 | AUSTRALIA

[ballarat.edu.au](http://ballarat.edu.au) | [federation.edu.au](http://federation.edu.au)

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